Daily Report

Central Eurasia

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Russia: Grachev Reveals Elements of Yeltsin's Chechnya Peace Plan

MK2703105796 Moscow KOMMERSANT-DAILY in Russian 27 Mar 96 p 3

[Report by Ilya Bulavinov under the "Chechen Settlement Problem" rubric: "The Troops Will Go, But Not Too Far Away"]

[FBIS Translated Excerpt] Once Boris Yeltsin announces his plan for settling the Chechen conflict, large-scale combat operations in Chechnya will cease, Pavel Grachev said upon returning from a 1.5-day blitz-visit to Groznyy, his third trip there within the past month. Thus the defense minister effectively confirmed that on 31 March the president will announce in his televised address the start of a phased withdrawal of troops from Chechnya. It is obvious, however, that the war there will not stop on Monday. [passage omitted]

Generally speaking, the latest actions of the federal troops in Chechnya have for the first time since the collapse of the peace agreement on military matters revealed some signs of a consistent and coordinated Chechnya policy from Moscow. It has long become clear that if the authorities are to stop the war in earnest, they will have either to make the unpopular decision of handing the rebels a definitive, crushing defeat (particularly so because the army demonstrated a year ago that it is capable of so doing), with the accompanying inevitable heavy losses, or simply to pull out, which would mean not only Moscow's moral defeat, but also the retention of a permanent hotbed of tensions in the region, let alone such "trifles" as the security of transport routes and oil pipelines.

It is as yet difficult to predict how successfully the new program for a Chechen settlement will be carried out. Attempts to create "an economic miracle" in isolated Moscow-controlled areas of Chechnya have failed more than once and there are no guarantees that Russia can win the Chechens' loyalty by promptly paying pensions, creating jobs, and restoring houses even after crushing the rebels. Furthermore, the surviving rebels are bound to continue a guerrilla war. But the main condition for a settlement is the unity of political and military command in Moscow. If for any reasons — political, economic, or personal — the influence on Moscow's Chechen policy of the advocates of maintaining the "controlled conflict" status does not decline, any attempts to establish peace in the North Caucasus will be doomed.

Russia: Senior Official Cited on Yeltsin's Chechnya Peace Plan

MK2703122396 Moscow NEZAVISIMAYA GAZETA in Russian 27 Mar 96 p 1

[Report by Ilya Maksakov: "Yeltsin Plans To End War Before Elections"]

[FBIS Translated Excerpt] [passage omitted] In the meantime everyone expects Russian Federation President Boris Yeltsin to unveil a Chechen crisis settlement plan. A senior Russian Federation Government official, Aleksandr Nechuyatov, who took part in developing Victor Chernomyrdin's variant, advised your NEZAVISIMAYA GAZETA correspondent that he can only guess which of the plans the president will opt for in the end. He noted at the same time that the escalation of military operations in Chechnya has no connection with the coming endorsement of a concept for resolving the situation. In Nechuyatov's words, systematic work is going on to disarm gunmen and overcome the resistance of major Dudayevite forces.

As for the process of signing peace agreements with the heads of administrations of Chechen rayons and villages that has been under way lately, both Zavgayev's and Dudayev's representatives are functioning in most settlements. Those signing agreements with the federal command and the official Chechen government are, naturally, administrations appointed by Doku Zavgayev. Commenting on this situation, Aleksandr Nechuyatov said this is justifiable in the sense that not all villages in the republic support the Zavgayev government. However, according to him, in this case it is not politics that is at issue but a purely human agreement on ruling out the presence in the villages of illegal armed formations. [passage omitted]

Russia: Grachev Interviewed on Developments in Chechnya

LD2603222196 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 26 Mar 96

[From the "Vesti" newscast by announcer Irina Sharapova]

[FBIS Translated Text] Of late, all the assessments of the situation in Chechnya have been based on the fact that the president is just about to reveal his plan for a settlement and it is unlikely that anything serious will happen before that. However, of late the uncoordinated activity of the federal troops, operating when the need arose — that is, when open confrontation occurred for which the Chechen side was to blame — has obviously turned into a premeditated campaign. And finally, we

have heard the words "large-scale military operation" from Defense Minister Pavel Grachev himself. It has become clear that the president's plan does not simply exist. It is already being implemented.

Our correspondent in Groznyy met the defense minister today. Now we have an opportunity to find out what is happening in Chechnya and how the situation will develop.

[begin recording] [Correspondent Roman Perevezentsev] Hello, Pavel Sergeyevich, Russian Television, Roman Perevezentsev. Could you possibly tell us literally a few words about the purpose of your visit here.

[Defense Minister Grachev] The main purpose is that a series of measures are being carried out by the forces of the Interior Ministry, backed up by subunits of the armed forces, to complete the destruction of the remnants of the bandit formations in individual areas of Chechnya. The point of these special operations is that, conducting military operations, efforts are made to get settlements and villages and districts as a whole to sign agreements peacefully. At present, peace agreements have been signed with 120 of the 380 villages that exist, according to the information available to us.

But there are something like 20 settlements where the local leaders and bandit formations do not wish to have peace talks. The second aim is to get together with other ministries to specify how the measures should be carried out with regard to those settlements where the bandit formations are getting ready to launch military offensives.

The third aim is that of setting forth the procedure for carrying out special militia operations in the city of Groznyy, since it is no secret that a large number of bandits returned to Groznyy disguised as civilians before the so-called peace talks and the moratorium on the use of weapons.

And the last issue is the state of the troops. Recently there has been a lot of talk about shortages of food and things, that the soldiers are not able to wash, that they are dirty, that they are infested with lice. Yes, I have a large group of people from the prosecutor's office with me. I have a group of journalists with me. There are representatives of other ministries here with me. They went ahead of me and checked things out. I personally made a check myself yesterday. Well, I would say that a lot of it is just made up. Yes, there have been shortages, but we have put things right. The men have decent enough clothing, they eat well enough. I personally had meals with them for a whole day yesterday. And the men are cheerful and in good spirits on the whole.

[Perevezentsev] How does the process of signing a tripartite agreement on peace fit in with the president's program?

[Grachev] The president will tell you about his program on 30 or 31 March. I know all about it. Large-scale operations are not envisaged, once the president's program has been announced, but the conducting of individual operations, especially militia operations, to destroy small groups will continue.

[Perevezentsev] Over the last 24 hours positions of the federal and internal troops have only been fired upon three times. In the southern and southwestern areas of Chechnya the situation is much more complicated. According to information from the press service of the command of the North Caucasus military district, aviation has made bomb and missile strikes on the armed fighters who are dug in the villages of Bamut, Orekhovo, and Staroy Achkhoy. And near Beshyl-Irzhoye, a tank and as many as 70 armed fighters have been destroyed. Just as before, it is not clear what the situation is like in the villages of Komsomolskoye, Alkhazurovo, and Goyskoye. We have just learned that armed fighters who have dug in in Goyskoye have sworn on the Koran that they will not leave the village. [end recording]

Russia: Federal Troops To Leave Chechnya After Yeltsin Announcement

LD2603144496 Moscow INTERFAX in English 1313 GMT 26 Mar 96

[FBIS Transcribed Text] MOSCOW, March 26 (Interfax) — Most of Russia's federal troops will begin a gradual withdrawal from Chechnya directly after President Boris Yeltsin announces his plan for a settlement of the Chechen conflict March 30 or 31, a source at the Russian General Staff Headquarters told Interfax Tuesday.

Two brigades of federal troops will remain in the republic on a permanent basis, he said. One will be stationed near the Urus-Martan settlement, and also in the capital of Groznyy and Gudermes. The other, the 205th Mobile Infantry Brigade, will be placed in the area of the Severnyy Airport, Khankalye, and Shali.

The first phase of the withdrawal will station many federal troops on the territory of neighboring republics Ingushetia and Dagestan, near the border with Chechnya. A temporary federal troop command point will be placed in Mozdok, Northern Ossetia, the source said.

Federal troops will reach their permanent stations this summer, he said.

Russia: Duma Memo Critical of Army Tactics in Chechnya

MK2703085896 Moscow MOSKOVSKIYE NOVOSTI in Russian, No. 12, 24-31 Mar 96 (signed to press 25 Mar 1996) p 6

[Excerpts from a memo by a group of Duma deputies following a visit to Chechnya: "From the Life of an Expedition Corps"]

[FBIS Translated Text] In March a group of State Duma deputies visited Russian troops in Chechnya. Politicians holding polar positions — Aleksey Arbatov, Eduard Vorobyev, and Albert Makashov — came to identical conclusions. MOSKOVSKIYE NOVOSTI is publishing excerpts from their memo.

The military command in Chechnya distrusts deputies of the State Duma, hides the actual state of things, especially with respect to methods of combat actions and their consequences ... related to the numerous casualties among army servicemen and civilians, heavy losses of weapons and materiel, and the destruction of houses and production installations.

There is reason to doubt that the top state leadership sufficiently controls the activity of the power structures or receives adequate information from the area of the military conflict. The overall number of active gunmen, according to the command, amounts to up to 1,500 and, considering the trained reserves, to 5,000-6,000. However, the number of rebels is increasing, which is a reaction by the population to actions on the part of the federal forces and the related civilian death toll and destruction, especially of dwellings.

Russia and the Caucasus

The attitude of North Caucasus republics, primarily Ingushetia, to the opposition in Chechnya is that of latent sympathy, whereas in such republics as Dagestan military actions provoke hostility toward the federal forces. If the armed conflict drags on, this mood can grow into a sharply negative reaction toward the center, including the use of force.

Support for the official leadership of the Chechen Republic among the population is rather limited, and even among the federal forces its authority is not very high. In this context the possibility of intra-Chechen negotiations at this stage arouses serious doubts.

Generals and Lieutenants

Senior command officers advocate the use of force in combination with the signing of peace agreements with heads of the local administration in populated areas (this tactic is not producing the requisite result: Rebels hide their weapons and immediately turn into "civilians").

Junior officers do not believe in the efficacy of the tactics being used. They advocate either an unrestrained use of weapons to ensure a final victory in the war or the pullout of federal troops preceded by the evacuation of Russian speakers and the sealing off of Chechnya along its borders (or along the border of Nadterechnyy Rayon).

The Moral and the Material

All army servicemen are worried by the following circumstances:

— the absence of a state of emergency or martial law in the Chechen Republic;

— the uncertain status of the troops deployed in Chechnya (whom they are fighting, what they are defending, what benefits they are entitled to, and so forth);

— differences in the interpretation of the term of the presence of troops in Chechnya;

— lack of housing for commissioned officers and NCO's in the areas of permanent stationing of their units;

— pay arrears for military servicemen (the bulk of the officers have not as yet received any compensation in 1996);

— award citations for offices and NCO's, as well as documents for insurance payments for injury and other damage caused to health, take six to eight months to process in governmental agencies;

— military commissariats recruit for Chechnya contract servicemen who for the most part do not meet the set requirements and often conceal from them the contents of missions they will have to carry out and the conditions of their accomplishment;

— the provision level of the troops is extremely unsatisfactory;

— there is a shortage of armor; its condition is unsatisfactory, and there is a constant shortage of fuel; and

— there is no system whatsoever for securing the release of servicemen held forcibly (more than 500) or missing in action (about 300).

Russia: Federal Army Racing Against Deadline in Chechnya

MK2703102396 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 27 Mar 96 p 2

[Report by Yuliya Kalinina: "Grachev's Demobilization Finale"]

[FBIS Translated Text] Judging by the fact that the president promised to promulgate his peace plan on 31 March, Pavel Grachev has one week for actions backed up by "our entire firepower."

At present the federal army contingent in Chechnya is behaving as though all of its brakes have failed. Checkpoints open fire on moving vehicles without warning. Helicopter gunships pulverize apparently irrelevant installations: a water tower or an oil tank. Artillery levels nine-story buildings down to three stories. Night and day, with apocalyptic howling, assault aircraft fly over Groznyy to Bamut.

It is not known how many fighters the illegal armed formations have lost in the past few weeks, but it is evident that fresh blood has been injected into their ranks. For instance, after the storming of Sernovodsk, 140 villagers, who did not earlier intend to take up arms, went off to fight. Federal forces are sustaining heavy losses, but these figures are off-limits to the general public.

Apart from the strategy and tactics of the combat operation, in the course of his tour Grachev also has to deal with the "servicemen's plight," which was noted by the minister and General Prosecutor Skuratov. On Monday [25 March] Grachev met with representatives of the Military Prosecutor's Office working in Groznyy to discuss the issue.

For instance, the federal army checkpoint that controls passage to the "pro-Dudayev" village of Komsomolskoye looks as follows: A dozen soldiers with frostbitten faces, covered with layers of age-old dirt, pimples and scabs, hiding their numb hands in their pockets and tapping their feet, explained that journalists are not allowed into the village. A civilian who approached the checkpoint pointed out that the soldiers are being fed by the villagers and that if they ask them to let the journalists in, the soldiers should grant that request.

Russia: Major 'Combing' Operation in Groznyy Reported

MK2703102296 Moscow NEZAVISIMAYA GAZETA in Russian 27 Mar 96 p 1

[Unattributed report: "'Combing' of Groznyy"]

[FBIS Translated Text] A large-scale operation to liquidate Dudayevites in Groznyy began in the Chechen capital yesterday, a source with the Russian law enforcement bodies advised. In his words, the action is being carried out by forces of the Russian Federation MVD [Ministry of Internal Affairs] and Chechnya's law enforcement bodies. He advised that the main segments of the special operation are being carried out in four districts of Groznyy, where according to intelligence information there is the largest concentration of gunmen. According to him, in addition to sealing off individual areas in Groznyy [the forces] are carrying out "residence checks [adresnaya proverka]" to identify gunmen. A representative of the law enforcement bodies advised that, according to preliminary data, there are about 500 gunmen in Groznyy, most of whom pose as civilians.

Russia: Groznyy Emergency 'Over'; Settlement Plan Forecast

LD2603214896 Moscow ITAR-TASS in English 2137 GMT 26 Mar 96

[By Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, March 27 (Itar-Tass) — The crime situation in Groznyy is now what it was before the March 6 rebel inroad into the city, Chechen Security Council Secretary Ruslan Tsakayev told Itar-Tass on Tuesday.

"The emergency in Groznyy is over, routine work is in progress in the city to neutralise remaining bandit formations and single snipers," Tsakayev said.

He said measures had been taken in Groznyy to avert a recurrence of the events of early March.

The focus of the measures is on reinforcing the Chechen Interior Ministry, in particular its patrol service, Tsakayev said.

He voiced confidence that the Interior Ministry would soon take over control of the situation.

Tsakayev forecasts that the settlement plan adopted by the Russian Security Council, to be expounded soon by President Boris Yeltsin, would not include radical actions.

Tsakayev said he thought the plan would stake on the intra-Chechen dialogue, the expansion of local peace

deals with federal troops over the increasing number of Chechen towns and villages.

The plan is likely to involve federal forces in crushing rebel groups, but Chechen police will spearhead these operations, according to Tsakayev.

Federal troops will be pulling out from Chechnya with more stabilisation, and units remaining for permanent deployment in Chechnya will leave the field for barracks, he said.

Russia: Troop Commander: Samashki Combat Operation 'Completed'

LD2703092996 Moscow ITAR-TASS in English 0751 GMT 27 Mar 96

[FBIS Transcribed Text] OSCOW, March 27 (Itar-Tass) — A combat operation has been completed in the Chechen village of Samashki, 25 kilometers west of Grozny, Itar-Tass learnt by telephone on Wednesday from General Vyacheslav Tikhomirov, commander of federal forces in Chechnya.

Over 100 rebels were killed. Federal troops started demining the village at about 10:00, Moscow time. Residents started returning to the village.

Russia: Chechen Government Criticizes Tatar President's Plan

LD2603150596 Moscow INTERFAX in English 1313 GMT 26 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 26 (Interfax) — The head of Chechnya's Moscow-backed government cannot accept the plan for settlement in Chechnya suggested by President Mintimer Shaymiyev of Tatarstan; he believes that negotiations with Chechen separatist leader Dzhokhar Dudayev should have been conducted at least two years ago, Doku Zavgayev told Interfax on Tuesday.

"He (Dudayev) had to be talked with before the war began," he explained. He doubts that a dialogue would have yielded a positive result even in that case. Zavgayev qualified the attempts to invite Dudayev to join the talks now as "an absurd idea."

He described Shaymiyev's proposals as "unrealistic." According to Zavgayev, Tatarstan's president is not aware of many details connected with the efforts to normalize the situation in Chechnya. "He simply does not have enough information," Zavgayev concluded.

CIS: Council of Defense Ministers Meets To Update Cooperation

LD2703092896 Moscow ITAR-TASS in English 0859 GMT 27 Mar 96

[By Sergey Ostanin]

[FBIS Transcribed Text] MOSCOW, March 27 (Itar-Tass) — The Ministries of Defence of Russia, Belarus, Kazakhstan and Kyrgyzstan have prepared a draft agreement on principles of ensuring mutual regional security in the military sphere.

The document would be submitted to the quadrilateral meeting of the Presidents of these countries which is due to take place in Moscow on March 29.

The agreement will be open for signing by any country interested in cooperation in the military field, Russian Defence Minister Pavel Grachev said in his opening address to the Council of Defence Ministers of CIS member-countries.

The Russian Defence Minister said the forthcoming meeting in Moscow of the four Presidents will discuss transition to a new stage in cooperation among the four countries with each country retaining its full sovereignty.

Today's meeting of the Council of Defence Ministers is attended by the Defence Ministers of Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan and Tajikistan and ranking officials of the Defence Ministries of Armenia, Turkmenistan, Uzbekistan and Ukraine.

Measures to ensure further improvement of the air defences in the CIS member-countries are in the focus of the meeting.

An agreement on the development of a single air defence system has been signed by ten heads of state with the exception of Moldavia and Azerbaijan, Chief of the CIS headquarters for coordinating military cooperation of its member countries General Viktor Samsonov told Itar-Tass.

At today's meeting, the Council of Defence Ministers will discuss some regulatory enactments, a plan for joint activities, and the funding of the unified air defence system.

The preceding meeting of the Council of Defence Ministers in November 1995 approved draft documents concerning the restoration of the air defence systems in a number of CIS member-states. The Council also spoke out in favour of assisting Georgia, Kyrgyzstan and Tajikistan in creating their own air defence systems and supported proposals for updating the air defence systems of Armenia, Kazakhstan and Uzbekistan.

Today, the Council of defence Ministers will also discuss procedures relating to the training of military and civilian personnel delegated by each country to the collective peacekeeping forces; proposals for specifying the mandate of the collective peacekeeping forces in the conflict zone in Abkhazia, as well as some other issues.

CIS: Grachev Addresses Defense Ministers on Security Revitalization

LD2703121296 Moscow Russian Television Network in Russian 1100 GMT 27 Mar 96

[From the "Vesti" newscast]

[FBIS Translated Text] The meeting of the CIS Council of Defense Ministers is being held in Moscow today. The defense ministries of Russia, Belarus, Kazakhstan, and Kyrgyzstan have prepared a draft agreement on principles for the joint provision of regional security in the military sphere. It will be submitted to a quadripartite meeting of the presidents of those countries in Moscow on 29 March. Any other CIS state will have the right to accede to the agreement, Pavel Grachev said at a regular meeting of the CIS Council of Defense Ministers held in the headquarters for coordination of military cooperation among CIS countries.

The Russian defense minister said that last year, the processes of cooperation, in the military sphere included, underwent revitalization. An important hallmark on this path was the concept for collective security. In 1996, the headquarters for coordination military cooperation is facing the task of creating a legal basis in this sphere. Only an open exchange of views will allow trust to be deepened, Pavel Grachev stressed. Mutual consultations might be held via representatives of military departments of the CIS countries in the headquarters for coordination of cooperation.

Concerning the question of relations with NATO, the Russian minister said that cooperation here must be not between blocs, but on a basis reflecting Europe-wide interests. We are ready for it, but not with NATO while it is expanding. The issue on today's agenda is the improvement of the CIS air defense system. The air defense systems of Moldova and Azerbaijan are not part of that system.

Concerning the forthcoming meeting of the four presidents in Moscow, Pavel Grachev said that what is involved here is a transition to a new stage of cooperation, as each state is set to preserve complete sovereignty. [video shows meeting, close-up of Grachev and other military figures]

CIS: Russian Minister for CIS Cooperation Views Economic Issues

LD2603193896 Moscow Russian Television Network in Russian 1700 GMT 26 Mar 96

[from the "Vesti" newscast]

[FBIS Translated Text] The heads of Russia, Kazakhstan, Belarus, and Kyrgyzstan will sign at the end of March a package of documents which will aim to even out the pace of economic reforms, Valeriy Serov, Russian minister for cooperation with CIS countries, said at a news conference.

There are plans to unify the legal basis in the economic sphere, to return to a single currency in settling mutual payments and to reconsider Russia's credit policy in relation to CIS countries with a view to increasing credits to those countries. The documents to be signed provide for new intergovernmental structures to be set up. Speaking about improving the system of payment in the CIS countries, Valeriy Serov stressed that the return to a single currency will help resolve the problem of mutual payments more effectively. The debt of the CIS countries to Russia is about $9 billion. The minister said that last year it was possible to radically improve the situation, and the state treasury received about 1 trillion rubles as the CIS countries repaid their debts. But only a speedy integration of the CIS countries will help resolve this problem completely, Serov believes.

Another important point he mentioned is the creation of a customs union. The states have begun to realize that their products cannot yet compete with the goods of the world's leading countries. That is why it is important to develop their own markets. The customs union will give them the opportunity to increase their turnover of trade.

[begin Serov recording, speaking at news conference] The Russian government can no longer permit that imports to Russia exceed the level of exports from Russia to CIS countries. [end recording]

[Announcer] The program for the development of Russian exports which is being drawn up by the government must remove the absence of balance in Russia's volume of trade with CIS countries. [video shows news conference]

CIS: ITAR-TASS Carries Press Review for 27 Mar

LD2703064796 Moscow ITAR-TASS in English 0546 GMT 27 Mar 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, March 27 (Itar-Tass) — Today's newspapers highlight Russian President Boris Yeltsin's visit to Norway and his decree on the development of a purpose-oriented federal programme "One's Home."

"Komsomolskaya Pravda" says that the results of the Russian President's first official visit to Norway cannot be assessed otherwise than successful. In this connection, the newspaper carries an article entitled "Yeltsin has found a Norwegian corner in his heart."

"Rossiyskiye Vesti" says in its commentary devoted to Yeltsin's meeting with Norwegian businessmen that the political relations between the two countries have been developing more dynamically than the economic relations. The talks at the top level have been successful and they will promote further strengthening of bilateral relations, the newspaper said.

Russian newspapers highlight a statement about the situation in Russia made by the president in Norway who said that reforms in Russia would continue and that communists would not come into power. Izvestiya says in this connection that "The Russian guests expressed the hope that the Russian people would elect the president whom they need." The newspaper said that the Russian president had urged Norwegian businessmen to invest money into the Russian economy without fear.

The problems of Russia's attitude to NATO expansion was raised during the visit as well. In this connection, the mass media pointed out that Russia had somewhat eased its approach to this problem: Boris Yeltsin has come out for a "French variant" of the participation of countries of Eastern Europe in NATO by taking part in a political, rather than a military structure of the alliance. "It seems that Russia has been developing a position of a compromise on the problem of the admission of Eastern European countries into NATO, "Izvestiya" said [quotation marks as received]

"Rossiyskaya Gazeta" comments on the presidential decree which instructs the government to develop a purpose-oriented federal programme "One's own Home". The implementation of this programme would mean a major breakthrough in the solution of the problem of housing construction," presidential aide Aleksandr Livshits was quoted as saying. [quotation marks as received]

Commenting on the same problem, "Rossiyskiye Vesti" says that the main task of the programme is to ensure that the cost of one square meter of floor space in a private house does not exceed an average two-months income per capita in a region. In order to make it easier for a family to pay 1.5 million roubles (in Central regions) for one square meter of floor space the president must include in the programme a

mechanism of providing long-term credits to would-be house owners for a term of 10-25 years. In the present reality of our banking system when loans are granted for a period beginning from three days and up to several months this seems to be a really cardinal solution, the newspaper said.

"Komsomolskaya Pravda" comments on a ten-day visit to the US by manager of the "Gasprom" enterprise Ram Vyakhirev who is completing his visit now. In this connection, the newspaper noted that such a large-scale business trip had never been made yet in the history of the Russo-US business. The newspaper believes that Vyakhirev and his team have succeeded in the demonstration of dimensions and possibilities for cooperation with the US business. The newspaper outlined a number of proposals made to "Gasprom" by the US side. In an interview to the newspaper in connection with the forthcoming presidential elections, Vyakhirev said: "The present alliance between Yeltsin and Chernomyrdin is the very tandem capable to ensure stability in Russia and the continuation of reforms. All other variants mean a retreat."

"Izvestiya" carries an article entitled "Chechen transit," wondering who prevents Dudayev's "secret paths" from being barred. According to the newspaper, four special task force groups sent to Chechnya in the past four months with the aim to find and liquidate Dudayev were quickly detected and liquidated. Another thing is that Chechen militants for almost 1,5 years of war had never experienced a shortage of weapons, ammunition or mercenaries. The command of the Armed Forces is well aware of the routes along which all the necessary supplies are delivered to Dudayev, but for unknown reasons is doing nothing to bar these routes, the newspaper said.

Russia: Yeltsin Cites 'Difficult' Norway Talks on NATO Expansion

LD2603133096 Moscow ITAR-TASS World Service in Russian 1215 GMT 26 Mar 96

[By ITAR-TASS special correspondents Andrey Shtorkh and Igor Pshenichnikov]

[FBIS Translated Text] Oslo, 26 Mar — "An exclusively constructive dialogue" is how Russian President Boris Yeltsin described his talks with Norwegian Prime Minister Gro Harlem Brundtland, which have ended here. He was replying to an ITAR-TASS correspondent's question at an improvised news conference at Government House in Oslo.

The Russian president said that on completion of the meeting, "we signed four documents instead of the planned two:" a declaration on the principles of relations between the Russian Federation and the Kingdom of Norway, an agreement on trade and economic cooperation, an agreement on the reconstruction of the Pechenganikel plant, and an agreement on avoiding dual taxation.

On the problems of NATO expansion eastwards, Boris Yeltsin said "the discussion of this topic was very difficult, but, bearing in mind that there is no particular urgency on this issue, we agreed to examine and discuss it jointly at a later date."

"As a result of the talks, approaches to a problem which we have been tackling for 26 years were found," said the Russian president. What he meant was the issue of dividing territorial waters in the Barents Sea. In his words, an accord was reached "to advance along two paths, to seek a line of division, and in parallel to set up a joint corporation to engage in developing minerals deposited on the sea shelf."

The Russian president also said that it was agreed at the talks to draw up documents on "Norway becoming part of the infrastructure of the Northern Sea Route."

Russia: Yeltsin, Norwegian Premier Agree on Espionage Case Claim

LD2603151096 Moscow ITAR-TASS in English 1451 GMT 26 Mar 96

[By Andrey Shtorkh and Igor Pshenichnikov]

[FBIS Transcribed Text] OSLO March 26 (Itar-Tass) — Moscow is dropping claims to the Russian branch of the Norwegian non-government environmental Bellona organisation and allows its Russian activist, accused of espionage and treason, to choose a lawyer, according to President Boris Yeltsin.

He told reporters on Tuesday that he and Norway's Prime Minister Gro Harlem Brundtland arrived to such a decision during their talks in Oslo.

Bellona is engaged in collecting information about environmental pollution caused by the Russian Northern fleet. However, its activist, retired Northern fleet captain first rank Aleksandr Nikitin, was arrested in early February and charged with treason in the form of espionage.

According to Russian rules, only authorised lawyers can deal with cases connected with espionage and state secrets and Nikitin was thus actually deprived of any choice.

Bellona first faced problems in Russia yet last October when security officers confiscated the files of the organisation in the northern city of Murmansk on suspicion that they contained secret data on the Northern fleet.

The files were sent for examination to the Main headquarters of the Russian Navy. According to available information, Navy experts ruled that a considerable part of the files contained "materials belonging to the category of state secrets".

As a result, nuclear fleet expert Nikitin, 43, was arrested, but Russian ecologists sided with Bellona saying the arrest was aimed at concealing data on the pollution from the nuclear fleet in northern Russian regions.

The arrest is "a means to avert leaks of information on the ecological situation in Murmansk and Arkhangelsk regions", said Svyatoslav Zabelin, the chairman of the Russian Social-Ecological Union.

"The charges against Nikitin are groundless and aim to conceal information on military activities and the detriment caused by them to the environment", he stressed.

However, the Federal Security Service (FSB) insisted that Nikitin had used his contacts with Navy officers to gather secret information on the Russian nuclear submarine fleet allegedly for a new report of the Bellona ecologists.

An FSB spokesman said that Nikitin had been arrested in "full conformity with Russian laws on the protection of state secrets and the national interests of Russia".

"It is only the court which can rule on the basis of documents and examinations to what the detriment had been caused - to national security or ecology", he added.

If convicted, Nikitin can face from ten years in labour camp to a death penalty.

Russia: Moscow, Norway Believe OSCE Has Leading Role in New Europe

LD2603150896 Moscow INTERFAX in English 1313 GMT 26 Mar 96

[FBIS Transcribed Text] OSLO, Mar 26 (Interfax) - Russia and Norway proceed from the assumption that the OSCE plays the leading role in the new European architecture. This idea underlies the Russian-Norwegian Declaration on the basic elements of their relations signed in Oslo on Tuesday.

The document points to the importance of developing dialogue and cooperation between Russia and NATO. Constructive relations and cooperation in this area are designed to contribute to the efforts to strengthen security and stability in Europe, it says.

The two sides expressed their willingness to promote further contacts in the military area, such as multilateral naval exercises involving countries acting in the northern seas.

The declaration also says that the two countries are willing to continue to share their experience connected with peacemaking, including peacekeeping operations.

The two sides stressed the importance of control over the armed forces as part of their commitments made in the framework of the OSCE.

Their declaration underlines the importance of strengthening control over the use of live sea resources, including fishing by third countries.

The two sides also reaffirmed their intention to build up bilateral cooperation in exploring the Arctic Region and northern areas.

The declaration points to the importance of bilateral cooperation in environmental protection. The two sides expressed satisfaction with the practical measures taken in the framework of their cooperation in the past few years, and proclaimed their intention to expand their contribution to the efforts to cut the scope of pollution, improve the state of the environment on both sides of the border, and take concrete steps for this purpose without delay.

Russia: Yeltsin 'Very Pleased' With Norway Visit

LD2603175096 Moscow ITAR-TASS in English 1737 GMT 26 Mar 96

[By Igor Pshenichnikov and Andrei Shtorkh]

[FBIS Transcribed Text] OSLO March 26 (Itar-Tass) - Russian President Boris Yeltsin is satisfied with his visit to Norway which, he said, greatly resembles Russia.

"I am very pleased with the results of my visit to Norway. We succeeded to solve many issues", Yeltsin told Tass on Tuesday before leaving for Moscow after a two day state visit.

"The Norwegians are very pleasant, amicable and friendly people. Everything here greatly resembles Russia. Although it is north, it did not seem cold to me here", the president said.

Yeltsin said he had invited King of Norway Harald V, Queen Sonja and Prime Minister Gro Harlem Brundtland to visit Russia at any convenient time.

The president said his next foreign trip would be to Ukraine on April 4-5.

Russia: Moscow Ready To Discuss All NATO Issues Except 'Expansion'

LD2603164296 Moscow ITAR-TASS in English 1602 GMT 26 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 26 (Interfax) — Russia is ready to discuss any issues on cooperation with NATO if they are not related to expansion of this alliance, Russia's Foreign Ministry spokesman Grigoriy Karasin told a briefing in Moscow Tuesday.

Russia's position, precisely determined by Russian President Boris Yeltsin and Foreign Minister Yevgeniy Primakov, "does not lead the world community into a dead alley," he said.

Russia favors "searching for solutions and mutually acceptable guarantees for the European states."

"Moscow is opposed only to NATO's enlargement, because in this case Russia will feel itself under threat and this would hardly facilitate stability in Europe," Karasin said.

Russia: Yeltsin Plans To Stop Chechnya Combat in Time for Election

LD2603145396 Moscow ITAR-TASS World Service in Russian 1411 GMT 26 Mar 96

[By ITAR-TASS special correspondents Andrey Shtorkh, Igor Pshenichnikov]

[FBIS Translated Text] Oslo, 26 Mar — "We are interested in continuing the process of political and economic reforms in Russia," in the implementation of which President Boris Yeltsin plays a big part, Norwegian Prime Minister Gro Harlem Brundtland said during an impromptu joint news conference with the Russian head of state on the results of the talks in Oslo today.

At the same time, the recent resolution of the Russian State Duma on the Belovezhskaya Pushcha agreements cannot but cause concern in most countries neighboring Russia, she said. Gro Harlem Brundtland said that during the talks in Oslo, the Russian president said he regards the activities of the State Duma as irresponsible.

Replying to journalists on the prospects for a settlement of the Chechen problem, Boris Yeltsin said: "We will endeavor to stop the combat operations in Chechnya by the presidential elections in June." He repeated, in a conversation with the Norwegian prime minister, that he intends on 31 March to address the people of Russia on television and to set out his settlement plan.

Replying to a question put by an ITAR-TASS correspondent, Gro Harlem Brundtland said the Russian president had informed her that the plan will be underpinned by a peaceful settlement of the Chechen crisis. However, she said, the president had not revealed the details of the plan during their conversation.

Russia: Zyuganov Comments on Foreign Policy Tasks

LD2703113896 Moscow ITAR-TASS World Service in Russian 1018 GMT 27 Mar 96

[By ITAR-TASS correspondent Valentin Pavlov]

[FBIS Translated Text] Barnaul, 27 Mar — "Our foreign policy is extremely simple: It is one of maximum openness both to the West and to the East but with active support and protection for the internal market," candidate for the Russian presidency Gennadiy Zyuganov said live on radio in Altay. He is there as part of an election tour around the country's regions.

As for the global tasks of Russia's foreign policy, as Zyuganov put it: "We must have good strategic ties with the USA and safeguard the steady development of our relations with Germany, France, Britain, and Italy. A great deal will also depend on Japan, India, and other countries. But in developing these relations, we must constantly strengthen the positions of the Russian Federation."

"In restoring the geopolitical area that was destroyed, we must remember that everything that is connected with the territory of the former USSR falls within the area of our vital interests. There are now 25 million Russians alone remaining in the so-called near abroad. Many of them have been thrown upon the mercy of fate and are not receiving any support," noted the Communists' leader.

Russia: Karasin on Need for Agreement on Missile Systems

LD2603144796 Moscow INTERFAX in English 1313 GMT 26 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 26 (Interfax) — During negotiations between Yevgeniy Primakov and Warren Christopher in Moscow March 21-22, the Russian party stressed the need for an agreement on division of strategic and tactical air defense systems, Russia's Foreign Ministry spokesman Grigoriy Karasin told a briefing in Moscow Tuesday.

"[Such] a document is important for ensuring the firmness of the 1992 ABM Treaty," Karasin said.

"If this problem is not resolved it may turn into a serious irritating factor in Russian-American relations and pose a threat to the process of strategic offensive arms reduction, including ratification of the START-2 Treaty [by Russia's State Duma — IF] and to strategic stability as a whole," Karasin said.

The Russian party also raised the issue on modernizing the agreement on conventional armed forces in Europe, he said. The officials have considered the problem of restrictions on flanks in detail.

Karasin said the negotiations were constructive.

Russia: Christopher Kiev Comment on Duma Decisions Viewed

MM2603135196 Moscow PRAVDA in Russian 26 Mar 96 p 3

[Report by Vladimir Shelkov: "Imprudent Remarks"]

[FBIS Translated Text] Washington, 25 Mar — For several days the U.S. Administration kept quiet about the decisions made by the Russian State Duma on deeming invalid the Belovezhskaya Forest agreements on the dissolution of the Soviet Union. The first high-ranking U.S. official to break this silence was Secretary of State W. Christopher. He stated that the Russian parliament decree is "supremely irresponsible." The head of U.S. diplomacy gave this unflattering assessment of the actions of the Russian people's elected representatives while he was a long way from home — in Kiev.

W. Christopher's stay in Ukraine was brief, like Ukrainian Head of State L. Kuchma's visit to Washington, which took place just a few weeks ago. This frequent exchange of lightning trips is seen by the B. Clinton administration, according to newspaper reports, as a means of assuring Ukraine yet again that the United States firmly supports the interests of its security.

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To judge by the report of the WASHINGTON POST Kiev correspondent, the U.S. secretary of state, standing alongside President Kuchma, said of the vote in the Russian Duma that it "it has perturbed us as, as far as I know, it has you.

"Ukraine and other countries of the former Soviet Union are independent, sovereign states. Any unilateral attempt to change this status of theirs should be rejected by the international community."

Here we should make two small digressions. First, the State Department leader has obviously failed to familiarize himself in Kiev with the texts of the documents adopted in Moscow or he would know that they do not contain a word about the unilateral solution of the question of the USSR's restoration but merely discuss the possibility of a strictly voluntary, protracted process in that direction. And second, if the secretary of state's aides had looked at the Constitution of what was then Soviet Ukraine they would have seen in this document legislative confirmation of the republic's status as an independent sovereign state, which it enjoyed within the framework of the USSR.

So what we should call "supremely irresponsible" is not the decisions of the parliament of a state just as independent as other powers, Russia, but the U.S. top officials' desire to stick labels on in the heat of the moment. Russian politicians should have a big question mark regarding the overt and constant setting of Ukraine against Russia in the U.S. envoys' speeches and the tactless statements addressed to the Duma by the secretary of state while he was on the territory of a republic in which the absolute majority of the population are not as hostile to the idea of the restoration of ally relations with Russia as Pan Kuchma and his friend Bill would like.

Russia: Yeltsin Visit to Kiev Deemed Inexpedient in Apr

MK2603130696 Moscow NEZAVISIMAYA GAZETA in Russian 26 Mar 96 p 2

[Report by Arkadiy Moshes of the Russian Academy of Sciences Institute of European Studies: "On the Imaginary Use of One Visit. Does Boris Yeltsin Have To Go to Kiev Now?"]

[FBIS Translated Text] The nearer the date of the Russian president's visit to Ukraine, scheduled for early April, the more doubts there are about the expediency of this trip. The absence of substantial progress in addressing the most acute problems of bilateral relations, combined with Boris Yeltsin's election interests, leave no hope for the success of the summit.

The postponement of a meeting between the two countries' defense ministers, the virtually fruitless session of the Chernomyrdin-Marchuk commission, and the suspension by Russia of oil transportation through the Druzhba pipeline on the eve of the resumption of talks on transit tariffs show primarily that the sides have adopted tough and rather uncompromising positions.

The Russian approach in the present conditions is quite explicable. Having, to a large extent, staked his political prestige on ensuring that the Russian Black Sea Fleet is based in Sevastopol without having to share it with anybody else, Boris Yeltsin cannot now agree to a joint military presence in Sevastopol. Neither can the Russian president make serious concessions on the two main economic issues: the customs regime and transit tariffs. It is illogical to create a customs union with Belarus and Kazakhstan and at the same time establish a kind of free trade regime with Ukraine unprofitable to some Russian producers. It is inadmissible to agree to Ukraine substantially raising transit tariffs, as a result of which the Russian fuel and energy complex would lose considerable profits, because this is bound to lead to charges of ignoring the interests of the Russian business community.

This creates a vicious circle. If President Yeltsin shows firmness in Kiev and the summit collapses, the leftist opposition will accuse him of failing to promote a dialogue with a neighboring state — if only to provide greater incentives to its electorate. If the head of the Russian state proves too ready to make concessions, the tone of "comments" in certain quarters will be even more forthright and the expression "betrayal of national interests" will certainly not be the strongest one. (The third option — Ukraine accepting Russia's conditions — appears unlikely in view of both the history of bilateral relations and the current internal political situation in Ukraine).

Reports coming in from Kiev suggest that the aforementioned factors are fully appreciated there and that the Ukrainian leadership will not insist that the visit take place in April. Moreover, in the past few days two new aspects emerged which clearly slow down the pace of Ukraine's preparations for the visit.

First, Boris Yeltsin's arrival in Kiev immediately after the signing of a union treaty with Belarus and agreement on accelerated integration with Kazakhstan and Kyrgyzstan will be perceived by many in Ukraine as an aspiration to drag Ukraine into the evolving space. The most "astute" Ukrainian analysts will see a direct link between the visit, which has been so often postponed, and the recent Duma decree renouncing the Belovezh-

skaya Forest Accords. This interpretation of the visit will bring Leonid Kuchma no dividends.

Second, the sole possible achievement of the summit — a treaty of friendship and partnership between Russia and Ukraine, in signing which without resolving the Sevastopol issue Boris Yeltsin will have to take a serious internal political risk — is losing its value in the eyes of the Ukrainian leadership, because there are no chances that the present Duma will ratify it before the presidential election, let alone the fact that there is no time to elaborate and implement a new policy line.

Both presidents, although for different reasons, need a breakthrough at the bilateral level, not tinkering with minor technical details. Defeated expectations will throw Russian-Ukrainian relations back and will shatter, not consolidate, Leonid Kuchma's and Boris Yeltsin's internal political positions. Therefore it appears expedient to move the Russian president's visit to Kiev [to a later date], leaving state delegations at all levels to draft and finalize corresponding agreements which could, in combination with a "big" treaty, provide a basis for new relations. Russia would have time to study and develop the additional negotiating potential arising from a union with Belarus in its relations with Ukraine.

At the same time, efforts could be concentrated on preparing a fruitful CIS summit in May, which, provided it received due attention, would become a much stronger card in the president's election campaign than even a partially successful visit to Kiev.

Russia: Chernomyrdin, Marchuk Discuss Black Sea Fleet Issues

LD2603173896 Moscow INTERFAX in English 1602 GMT 26 Mar 96

[FBIS Transcribed Text] KIEV, March 26 (Interfax - Ukraine) - Russian Prime Minister Viktor Chernomyrdin and his Ukrainian counterpart Yevheniy Marchuk held a working meeting in Moscow Tuesday.

The meeting focused on coordinating as yet unsolved issues concerning the former Soviet Black Sea Fleet (BSF), sources in the Ukrainian delegation told Interfax - Ukraine Tuesday.

This meeting is consistent with the accord reached by the bilateral cooperation commission in Moscow on March 20, they said.

Then, Marchuk told journalists that two out of three draft agreements, on the status of Russia's BSF and on its base, had been coordinated.

However, the term of Russia's lease of the Ukrainian infrastructure and its size remained unsolved.

The Ukrainian delegation includes Deputy Prime Minister Vasily Durdinets, First Deputy Defense Minister Ivan Bizhan and Deputy Foreign Minister Kostyantyn Hryshchenko.

The Ukrainian delegation is expected to return to Kiev tonight.

Russia: Ukraine Air Defense Chief on 'Scandal' Over Il-76 Detention

LD2603192296 Moscow NTV in Russian 1600 GMT 26 Mar 96

[From the "Segodnya" program by announcer Aleksandr Shashkov]

[FBIS Translated Text] [Russian Defense Minister Pavel] Grachev may well have to deal not only with Chechnya but with another, unexpected problem in relations with Ukraine. A scandal is blowing up over a Ukrainian Air Force plane seized in Russia [on 24 March]. We have the details in a report from Kiev:

[Unidentified Nova Mova Television correspondent for NTV over video of aircraft on tarmac] The detention of a Ukrainian Air Force cargo plan in Rostov-na-Donu has come as an unpleasant surprise just before the meeting between the Russian and Ukrainian defense ministers. The Il-76, which was being used for commercial purposes by the Krunk firm, was forced by Russian air defense to land and was inspected for freight illegally carried within the civilian corridor. Nothing impermissible was discovered. The Ukrainian aircraft stood for a day at Rostov airport for the banal reason that the Stavropol air space control zone failed to get notification of the overflight and deemed the overflight of the Ukrainian Il-76 through Russian air space illegal.

The incident did not come to an end when the aircraft returned home, however. The Ukrainian side is now demanding official apologies and compensation for losses.

[Begin recording] [Mikhaylo Lopatin, commander-in-chief of Ukrainian Air Defense, interviewed in office] This incident was undoubtedly not dealt with properly, and the whole matter could have been resolved without putting any aircraft into the air, but simply over the telephone. Any state has the right to request an aircraft crossing its border to land for the purposes of inspecting its cargo and then allow the flight to continue. This is not ruled out, but there must be some grounds for this. In this case, I see no grounds whatsoever. [end recording]

Russia: Seleznev: Yeltsin 'Hiding' Treaty With Belarus

AU2603122996 Sofia TRUD in Bulgarian 26 Mar 96 p 17

[Interview with Russian Duma Chairman Genadiy Seleznev by Dimitrina Gergova; place and date not given: "The President Is Hiding the Treaty With Minsk From Us"]

[FBIS Translated Text] [Gergova] Genadiy Nikolayevich, does the treaty between Russia and Belarus mean the disintegration of the CIS or the restoration of the USSR?

[Seleznev] This treaty is by no means connected to a new USSR. Belarus President Lukashenka said something vague about the treaty and President Yeltsin and his legal secretary did the same. However, we do not know anything about the contents of the treaty. I think that this is the beginning of solid integration processes, most of all in the economic sphere. The treaty deals with creating a serious customs union and joint interrepublican enterprises with joint capital. As far as the emergence of some state superstrucutures is involved, this will probably follow the EU principle. Kazakhstan and Kyrgyzstan are also ready to join, but at present we have only partial information. Our president does not want to tell us more.

[Gergova] How are we to understand your statement that the Duma decision on restoring the USSR is of a "civil-political character?"

[Seleznev] Yes, this is so. This is more than anything else a declaration of 250 deputies, because in Russia a Duma decision has the power of law in only one case: When an amnesty is declared. The other decisions are not legislative acts. The document that we adopted merely confirms that the USSR was destroyed in violation of the Constitution.

[Gergova] Actually, what is the power of the Duma in a strong presidential regime such as the one in Russia?

[Seleznev] We have very few rights on the basis of the new Constitution. We are preparing many constitutional amendments, but it will be very difficult to pass them.

[Gergova] Could something prevent the presidential elections in Russia?

[Seleznev] There are no objective reasons for this for the time being. The fact that such obstacles could be artificially created is another matter.

Russia: Moscow Seeking 'Various Ways' To 'Influence' Estonia

LD2603165796 Moscow ITAR-TASS in English 1602 GMT 26 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 26 (Interfax) — Moscow is contemplating various ways to exert influence on Estonia, reliable sources in the Russian government told Interfax.

According to one source, "The use of sanctions is not contemplated.

"Russian authorities are considering different scenarios for their behavior toward Tallinn, including politico-economic steps," the expert explained.

The use of tough economic levers is not ruled out, he said. According to him, "judging by Estonia's behavior, it is high time to use them."

This may include cuts in Russian transit through Estonia, which would pose a tangible blow on the Baltic state, the source said.

According to him, a major reason why Moscow is contemplating such steps is "the lack of noticeable progress in the situation of Estonia's Russian-speakers."

"Estonia's attitude to the Chechen issue, which can only be viewed as interference in Russia's internal affairs," served as an additional argument.

The actions of the Tallinn authorities leading to the confiscation of property belonging to the Estonian Orthodox Church under the jurisdiction of the Moscow Patriarchate, in favor of another Orthodox Church based in Stockholm, did nothing to normalize Russian-Estonian relations either, the source said.

Russia: Foreign Ministry 'Surprised' at Abkhaz, Georgian Statements

LD2603161696 Moscow ITAR-TASS in English 1603 GMT 26 Mar 96

[By Vladimir Suprun]

[FBIS Transcribed Text] MOSCOW, March 26 (Itar-Tass) — Strain has built up over the recent days around Russian troops stationed in Georgia's breakaway enclave of Abkhazia, Russian Foreign Ministry spokesman Grigoriy Karasin told a briefing on Tuesday.

He said Abkhazian leaders are challenging normal functions of the Russian border service.

Russian border guards have recently stepped up measures to implement the January resolution of the CIS

council of heads of state which imposed a partial embargo on trade and shipping operations of CIS members with Abkhazia.

Tension flared up when the Russian border service tightened customs control of ships bound for the Abkhazian capital Sukhumi.

The press service of Georgian President Eduard Shevardnadze has issued a statement in the wake of those events, saying that Russian border guards acted well in conformity with the Russian-Georgian agreements. However, the Abkhazian leadership met the customs control measures as "a violation of norms of international law."

Karasin said that head of the Russian Federal Border Guard Service Andrey Nikolayev on Monday met Abkhazian leader Vladislav Ardzinba in the Russian seaside resort city of Sochi to handle the border problem. Also on Monday, Georgian Deputy Foreign Minister Malkhaz Kakabadze and the commander of border troops, Valeriy Chkheidze, went to Moscow for consultations. Georgian Prime Minister Gennadiy Gaguliya is expected to be come to attend the consultations.

However, Karasin said, "statements are being made in Tbilisi and Sukhumi, attempting to fuel the situation by placing responsibility for its deterioration on the Russian border guards."

He said the Russian Foreign Ministry is surprised about such statements which do anything except to facilitate the settlement of the conflict and normalisation of the situation in Sukhumi.

Russia: Baturin on Russian Interests in Tajikistan

964F1549A Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 14-20 Mar 96 No 9, pp 1, 3

[Interview with Yuriy Baturin, assistant to the president of the Russian Federation for questions of security, by Akram Murtazayev; place and date not given: "The Unknown War: Rebellion Under Strange Circumstances. Interview With the Person Who Was Able to Reach a Cease-Fire Agreement"]

[FBIS Translated Text] The events in Tajikistan are apparently not of special interest to the world community, mainly for geographical reasons. Otherwise it would be difficult to explain why a civil war that has produced innumerable victims (many more than in the former Yugoslavia) has ended up outside the field of vision and, hence, beyond the pain threshold of the world community.

But the war there is continuing, threatening to grow into a world catastrophe into which many, many countries will be drawn. Anticipation of this catastrophe was apparently the reason for the government delegation from Russia to Tajikistan which was unprecedented in terms of its "qualitative composition": Minister of Foreign Affairs Ye. Primakov, Minister of Defense P. Grachev, FPS [Federal Border Service] Director A. Nikolayev, and the Foreign Intelligence Service Chief V. Trubnikov. On special instructions from B. Yeltsin, Yuriy Baturin, assistant to the president of the Russian Federation on questions of security, visited Tajikistan.

[Murtazayev] Yuriy Mikhaylovich, what brought about such an urgent visit to Dushanbe and what tasks were set for you?

[Baturin] The civil confrontation in Tajikistan has reached the critical point and unless additional efforts are made, everything could end up in a major disaster. That was the reason for my trip. The president set an extremely specific task for me: to do everything I could to prevent a conflict, and if it were to begin anyway—to do everything possible to make sure that not a single Russian military serviceman participated in it. I recall that, along with the opposition forces, former advisers of President Rakhmonov participated in the opposition forces against the government. And this appearance of a third force significantly complicated the situation in the region.

[Murtazayev] For many people this special assignment of yours was a complete surprise. In the first place, Tajikistan, as we know, has not been within the sphere of the activity of the assistant for national security. In the second place, you have never been given similar instructions before. There have been rumors that this was a kind of test for you. In Eastern fairy tales, incidentally, they have similar expectations of "special assignments": Build a castle in a night—it is alright if they die while doing it—even better. Apparently this trip was a complete surprise to you as well.

[Baturin] When I left Tajikistan they told me: You were born under a lucky star. There was no doubt that there was to be a flare-up there.

Everyone understood that.

I was given the assignment from the president quite unexpectedly. At that time I was on a business trip in Siberia. As you can understand, I had no operational information and did not know the details of the situation at the given time.

Before my business trip, of course, I had read various reports from the republic and understood that the situation in Dushanbe was getting complicated.

[Murtazayev] And they sent you.

[Baturin] Yes, they sent me. I am not a specialist in things like the "special assignments" in Eastern fairy tales, but questions of interaction among power structures is my prerogative. And rumors—well, rumors are rumors.

Now I understand that I went there extremely unprepared: There was no time to consult or study all the information. But I think I was very lucky with my team: I was accompanied to the Far East and Siberia by very competent generals from the General Staff, Border Forces, the FSB [Federal Security Service], and workers of my own apparatus.

Naturally, I devoted the first days to studying the situation. I met with the president of Tajikistan, the Russian ambassador, the commander of the peacekeeping forces in Tajikistan, and members of the republic government. Incidentally, I gleaned more information not from WHAT they said but from HOW they said it.

[Murtazayev] By the way, what kind of strange rebellion was this? Yesterday's field commanders from the People's Front suddenly rose up against Rakhmonov. After all, they were the ones who put him in power.

[Baturin] Not only that. One of the rebels—Makhmud Khudoberdyyev—was the commander of the First Brigade which, when it comes down to it, is the basis of the Tajik Army. Khudoberdyyev is a former paratrooper in the Russian Army, he served in Afghanistan, and there are many Russian officers in his brigade (not citizens of Russia). In a word, you can understand what the authorities of Tajikistan were up against if Makhmud started fighting against them.

[Murtazayev] These days it is fashionable to speak of some kind of third force. But who "moved" the First Brigade? Rakhmonov immediately mentioned the "hand of Tashkent." He even referred to clear proof.

[Baturin] This is my opinion: The events taking place in the republic cannot but disturb its neighbors. Especially Tashkent. Nobody from the outside is capable of organizing such a thing without the appropriate internal conditions.

[Murtazayev] Well, even in Russia the power is able to expand the ranks of the opposition.

[Baturin] It is simply impossible to compare this. The people are in an impoverished condition. I was driven by the chauffeur of the Council of Ministers. His monthly wage is barely enough for two kilos of meat. And this is the chauffeur for the Council of Ministers! Hunger, unemployment, crime.

The government is filled mainly with people from Kulyab. In difficult economic conditions, such a personnel policy evokes more than simple protest...

[Murtazayev] It is hard to figure out the republic's clan system. For you it must have been complete nonsense.

[Baturin] No, I did not have time to delve into all the intricacies of the clan and tribal system. I decided right away to rely on intuition: In a situation where matters are being determined literally in hours and minutes, this was obviously the best decision. The main thing was to stop the war.

[Murtazayev] Where did you begin?

[Baturin] As I have already said, the first day I looked into the situation. The next day I started to act. I established contact with the rebels. We began negotiations which, according to our intention, were not to have ceased for a minute.

The commander of the peacekeeping forces, V.M. Zavarzin, workers of my staff, and military people who had come with me conducted negotiations with the rebels.

Incidentally, about Zavarzin. Let me take note of the general's special role. A born diplomat, he knows the local customs and is able to find a way to approach people. It was simply interesting to work with him. Only the constant results of the negotiations gave us a chance: We are fulfilling your demands—now you fulfill ours.

It is all very simple to tell it now. But during those days there was extreme tension...

[Murtazayev] Yuriy Mikhaylovich, eyewitnesses tell of another point of the "negotiating process." It was during those days that the Russian 201st Division suddenly decided to conduct training.

[Baturin] Not training. As I have already said, before going to Tajikistan I was in the Far East where the generals and I were inspecting the interaction among military structures. We decided to inspect the combat readiness of the 201st Division as well.

Let me tell you that their level of combat readiness was high. Their equipment was completely in order. And I was not the only one who was convinced of this.

But it was nothing like what you are hinting at. Yes, it was a demonstration, but not so much of force. Take, for example, another demonstration. Our ambassador Senkevich asked us to "meet with the embassy leaders for 15-20 minutes." To keep their spirits up. Incidentally, the Russian Embassy and the American Embassy

are in the same building, on different floors. Immediately after the beginning of the conflict, the American Embassy was evacuated. Ours remained.

I said to the ambassador: "Why only the leaders? Why 20 minutes? Let us meet and sit and talk." And all of us—our delegation, President Rakhmonov—we went to our embassy and even organized a banquet. Believe me, this "demonstration" had a big impact in the republic. What kind of panic can there be when there is a reception at the Russian Embassy? It means that everything is normal.

[Murtazayev] Yuriy Mikhaylovich, one more delicate question. In Tajikistan, as, incidentally, in Russia itself, there are certain problems with coordination of the actions of power structures. Everyone knows about a certain lack of coordination between Tajikistan's border service and the Ministry of Defense.

[Baturin] I understand. Yes, there was a problem with that. But that is in the past. I can say that interaction between the power structures has been achieved. Moreover, if this were achieved in Moscow, it would solve many of our problems.

[Murtazayev] And so the conflict has been resolved. Can we say that the president's assignments have been carried out successfully?

[Baturin] Every day at exactly 0900 Moscow time I reported personally to the president about the events that were taking place. This fact shows again the degree of attention the Russian leaders are paying to the situation in Tajikistan.

This attention on the part of the president undoubtedly contributed to the successful fulfillment of my assignment.

It is difficult for me to evaluate my role in resolving the conflict. But I must say that the work gave me a great deal of satisfaction.

[Murtazayev] But, Yuriy Mikhaylovich, you understand that the conflict has not been resolved but only put off for a while.

[Baturin] Undoubtedly.

[Murtazayev] Tell me, was Primakov's recent visit to Tashkent devoted to the Tajik problem?

[Baturin] Let us say that it was one of them. You are right, the situation in Tajikistan causes special uneasiness. Incidentally, B.N. Yeltsin spoke of this at a conference of chiefs of states of the Commonwealth. The president wants to take real steps toward normalization of the situation in Dushanbe.

[Murtazayev] Did you have to meet with any of the representatives of the opposition?

[Baturin] There was no need to meet with the irreconcilable opposition. Let me repeat once again: This was not in the realm of my responsibilities. But I can say that I met with everyone who asked me to.

[Murtazayev] But let us say that now the leaders of the opposition express a desire to meet with you...

[Baturin] I am convinced that a solution to the Tajik problem is impossible without negotiations with the opposition. We must not ignore their demands or interests. If there are chances of normalizing the situation and preventing human sacrifices—we must meet with them. We are prepared for negotiations with interested individuals in Kabul, Tehran, and Islamabad.

[Murtazayev] We are always talking about certain of Russia's political interests. But can we name them specifically?

[Baturin] In the first place, the border. Tajikistan is a kind of gate to the CIS. At this point Russia is not in a position to move the border to the north. It is too costly.

[Murtazayev] But if you take into account the fact that the construction of the new border has not begun and is not even being planned, you must assume that the Russian border guards will be in Pamir for a long time.

[Baturin] We must proceed from that assumption. In the second place, there are military facilities in Tajikistan which we cannot afford to lose.

[Murtazayev] Are uranium and aluminum included in these geopolitical interests?

[Baturin] They are. But Tajikistan's military-strategic position undoubtedly occupies a special place.

[Murtazayev] In various mass media there have been hints that in Russia there is a certain group of individuals who have financial interests in Tajikistan. Do you accept this, shall we say, version?

[Baturin] Of course.

[Murtazayev] The sphere of these interests is also known: trade in weapons, aluminum, but the main thing is narcotics. And if I say that certain losses of Russian troops in Tajikistan are linked not to protecting Russia's geopolitical interests but to elementary conflicts in the sphere of drug trafficking?

[Baturin] We know about these cases as well. But I will not comment on them.

[Murtazayev] But let us return to problems of a political nature. I have one last question left. Who today actually

influences the situation in Tajikistan? The Ministry of Foreign Affairs? The Ministry of Defense? The Federal Border Service?

[Baturin] All of them. All the departments are in on the act. The problem is that there has been no single department to coordinate this work.

[Murtazayev] That is, Moscow is lacking what you in principle did in Dushanbe: coordinate the actions of many forces interested in stabilizing the political situation.

[Baturin] You could say that. Thus, it is necessary to strive for this coordination, for consolidated leadership. But that is not a function of the president's administration. It is more a function of the Ministry of Foreign Affairs. Actually the president's recent edict on the coordinating role of the Ministry of Foreign Affairs in foreign political issues essentially resolves the problem.

[Murtazayev] Thank you for the conversation, Yuriy Mikhaylovich. We will hope that all parties interested in regulating the situation in Tajikistan will be able to meet and arrive at some positive resolutions.

[Baturin] God willing.

Russia: Karasin Comments on Davydov's Talks in Libya

LD2603135696 Moscow ITAR-TASS in English 1326 GMT 26 Mar 96

[By Aleksandr Zhudro]

[FBIS Transcribed Text] MOSCOW, March 26 (Itar-Tass) — The state and prospects for the development of Russo-Libyan trade, economic, scientific and technological cooperation were discussed in great detail in the course of Russian Vice-Premier Oleg Davydov's visit to Libya, a spokesman for the Russian Ministry of Foreign Affairs told Itar-Tass today.

The spokesman, Grigoriy Karasin, said Russia and Libya expressed mutual desire for filling their existing agreements and understandings with specific substance, including by establishing direct business relations between companies and organisations of the two countries.

The Russian Vice-Premier was received by Libyan leader Mu'ammar al-Qadhdhafi to whom he handed a message from Russian President Boris Yeltsin, Karasin said.

According to the Foreign Ministry spokesman, the message "confirms Russia's interest in the development of comprehensive relations with Libya and its preparedness for search for solutions to the problems existing in this sphere."

Russia "expressed the hope that the steps made by Tripoli to meet the demands formulated in resolutions of the U.N. Security Council would be duly appreciated by the international community, when the question about international sanctions against Libya comes up for revision in the U.N. Security Council again," Karasin said.

Political Issues

Russia: TsIK To Register Yeltsin's Candidacy Early Apr

LD2603164696 Moscow INTERFAX in English 1602 GMT 26 Mar 96

[FBIS Transcribed Text] MOSCOW, March 26 (Interfax) — The Russian Central Electoral Commission [TsIK] should register present President Boris Yeltsin as a nominee for the Russian presidency in early April, Head of the coordinating committee of the Russian nationwide movement for public support of Yeltsin in the presidential elections Sergey Filatov told a news conference in Moscow Tuesday.

The collection of signatures showed that voters are mainly concerned about three problems: the president's position regarding Chechnya, wage arrears and "the criminal problem and overall order in the country," Filatov said.

The movement for public support of Yeltsin "has not earmarked a single kopeck for the signature-raising," he said. "Probably, there were some sponsors. But as far as I know there was no centralized financing," Filatov said.

The news conference was attended by representatives of five presidential action committees, each of which has collected at least 1 million signatures supporting Yeltsin's re-election.

It was claimed at the news conference that the 1.37 million signatures in support of Yeltsin submitted to register him with the Central Electoral Commission had been raised by 35,000 signature collectors in 67 Russian regions.

The majority of signatures supporting Yeltsin was collected in Moscow, the Kurgan, Kemerovo, Chelyabinsk, Omsk, Ulyanovsk and Rostov regions, the Khabarovsk, Krasnodar, Stavropol and Krasnoyarsk territories, and the internal Russian republics of Bashkortostan and Mordovia.

Yeltsin "was absolutely right" when he chose the presidential action committee led by presidential representative in Moscow Vladimir Komchatov for turning in the signatures, said Tatyana Grozmani, the head of the presidential action committee which gathered 1.9 million signatures supporting Yeltsin in 73 Russian regions. Members of Komchatov's group "were the first to launch the activity supporting Yeltsin as early as several years ago," she said.

Grozmani said her action committee would continue the collection of signatures because "there is a massive movement in support of Yeltsin and it would make no sense to stop the raising of signatures even if they do not go to the Central Electoral Commission."

Russia: Filatov Says Yeltsin Against Postponing Elections

LD2603150796 Moscow ITAR-TASS in English 1415 GMT 26 Mar 96

[By Nataliya Panshina]

[FBIS Transcribed Text] MOSCOW, March 26 (Itar-Tass) — A congress of the Russian movement of public support for Boris Yeltsin at the presidential elections will be likely held on April 6 or 7, leader of the movement Sergey Filatov told a news conference on Tuesday.

The final decision concerning the date of holding the congress will be taken today or on Wednesday, he noted. According to earlier reports, Yeltsin will put forth his election platform at the forum.

Filatov also said that sponsoring groups have collected over eight million signatures in support of Yeltsin's candidacy. One of the groups submitted nearly 1.5 million signatures to the Central Electoral Commission on Monday.

The leader of the movement precludes a chance for putting off the presidential elections. He said that Yeltsin expressed a very negative reaction to proposals on this score voiced at the Federation Council.

According to Filatov, the president will do his best to remove the question on shifting the elections, "no matter what pressure is put on him from the outside".

Russia: Zyuganov's Election Agents Introduced at Moscow Ceremony

LD2603161396 Moscow ITAR-TASS in English 1547 GMT 26 Mar 96

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] MOSCOW, March 26 (Itar-Tass) — More than 160 people have been registered by the Central Electoral Commission as agents of Gennadiy Zyuganov, the leader of the Communist Party of the Russian Federation, in his presidential election campaign.

Some of them were introduced to the public in a ceremony in Moscow's Central House of Journalists on Tuesday.

A group of people with different occupational backgrounds and, strange as it may seem, with differing political views was trotted out in the ceremony. Some of

them are well known in Russia as are famous dancer Makhmud Esambayev, well-known economist Tatyana Karyakina, leader of a pop group Andrey Razin, Father Dmitriy, journalist Iona Andronov, literary critic Vadim Kozhinov and film actors Lyudmila Zaytseva and Nikolay Penkov. Others were complete strangers to the public.

Some of those people never joined the communist party and were even persecuted for their anti-Soviet activities in the Soviet era. Father Dmitriy, for one, spent eight years in labour camps. Tatyana Karyakina declared she had helped dissidents in the sixties and seventies, and literary critic Vadim Kozhinov recalled that he had been accused of seeking to "discredit Lenin."

According to Aleksandr Uvarov, a spokesman for the Zyuganov campaign organisers, the motley crew will tour Russia to publicise Zyuganov's election platform and urge people to vote for him in the June elections.

Russia: Lebed, Yavlinskiy, Fedorov Unveil Plan for Economic Union

LD2703122096 Moscow ITAR-TASS in English 1133 GMT 27 Mar 96

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] MOSCOW, March 27 (Itar-Tass) — Three contestants of Russian presidency — Aleksandr Lebed, Svyatoslav Fedorov and Grigoriy Yavlinskiy — today issued a second joint political statement in 15 days.

This time, their statement deals with a programme of integration within the framework of the Commonwealth of Independent States.

The three contestants of the country's top office propose forming an economic union on the basis of an agreement signed in October 1991.

The union, they say, should have an inter-state bank for mutual settlements, a non-governmental chamber of industry and commerce to coordinate relations among enterprises, and a single currency system. The new union's member-countries will be required to sign agreements on free movement of labour force and capital and join a customs union.

Of particular interest is not the programme itself, which is largely declarative in character, but the fact that the three runners in the presidential elections have again agreed to make a joint political statement.

Their first statement called on the State Duma deputies to refrain from voting in favour of denouncing the Belovezh agreements.

Their second joint statement confirms the possibility of forming a "Third force" coalition to bring together not only retired general Aleksandr Lebed and eye surgeon Svyatoslav Fedorov but also prominent economist and politician Grigoriy Yavlinskiy.

If their alliance holds, its nominee will become a feasible figure to run in the second round of the June presidential elections, analysts predict.

Russia: Ilyukhin Interviewed on 'Attempted Coup,' Election Link

MM2603154296 Moscow SOVETSKAYA ROSSIYA in Russian 26 Mar 96 p 3

[Interview with Viktor Ilyukhin, chairman of the Russian Duma Committee for Security, by Zhanna Kasyanenko; place, date not given: "Ascent of the 'Hawks'"]

[FBIS Translated Text] [Kasyanenko] Will the Duma's decision wreck the elections, as is being shouted everywhere today?

[Ilyukhin] That is absurd. The deepening integration among CIS states cannot influence the elections since we are electing the president of sovereign Russia. Particularly as the Communists have no reason to wreck them. Things are clearly going our way.

The problem is that Yeltsin's entourage has been and still is intent on wrecking the elections. I can pass judgment on this based on the information available to me. For example, Presidential Chief of Staff Yegorov is making visits to all the regions of the country. At first glance, there is nothing reprehensible here. Election campaign issues are being considered. But the subtext of Yegorov's contacts with the heads of administration contains a different idea: Namely, not what needs to be done to win the elections, but what needs to be done to keep the president in office without elections. My own contact with the heads of administration of the oblasts and krays visited by Yegorov allows me to frame the question that way.

[Kasyanenko] Do you have any thoughts as to why the president's side should want to avoid elections?

[Ilyukhin] I am aware of the results of public opinion polls conducted by analysts belonging to the president's team. Such a poll was held 6-8 March: 24-26 percent opted for Zyuganov, with only 7.8 percent preferring Yeltsin, which compels the presidential team to search feverishly for a way out of the impasse. I am also aware that Western special services, particularly the U.S. special services, have circulated several analytical reports to state establishments and the Federal Security Service in the expectation that they will not go unnoticed. They

draw the clear conclusion that if the elections are held under normal conditions and there is complete compliance with legislation Yeltsin's defeat is a matter of course. In my view, these reports have two aims. On the one hand, they apparently provide information. But when they report such conclusions, then they force, as it were, two solutions of the problem on Yeltsin himself. First, to remove his rivals physically. And I do not rule out such a possibility, given the primitive legal nihilism which exists in our country. The second option is to wreck the elections. To delay them as long as possible.

And here it is necessary to draw attention to one very important feature: Even before the Duma voted on the Belovezhskaya Forest Agreements, that is to say 4 March, the head of administration of Voronezh Oblast, where Yegorov was visiting, sent a memorandum to the Federation Council noting the need for the presidential elections to be postponed.

This is the presidential team's major play, and the head of administration's memorandum is a gambit in that game. Again the crux here is that the elections do not reflect the real state of affairs in society and that this is merely a struggle among parties....

[Kasyanenko] Essentially, it turns out that the people are again being denied their right of autonomy. This also happened after the Duma elections, you will remember the term "rabid loonies." It now looks as if the Federation Council is playing Novodvorskaya's game.

[Ilyukhin] This was the background against which events developed prior to 15 March. Our decisions then immediately produced a major upsurge of activity in presidential and governmental circles. They decide to exploit this as a pretext to dissolve the Duma and ban the CPRF. I stress that this is my personal opinion, my purely personal information from which I draw the conclusions. But the very fact that I possess this information should make the presidential and government structures realize that nothing they do in secret will remain such, it will become public. This information is received by the Duma or the Security Council within an hour, sometimes half an hour.

Soskovets was the first to show activity. He immediately held several meetings with generals. According to our information, which Soskovets, naturally, can deny, a meeting was held with commanders of the Ground Forces, the Strategic Missile Forces, and the Air Force at [Air Force Commander in Chief] Deynekin's general headquarters, where the situation which had come about after the State Duma's decision was studied. This was followed by very close consultations in presidential structures and frequent meetings of aides. According to my information, three draft edicts were prepared — on dissolving the Duma, banning the CPRF and a number of other opposition organizations, and postponing the elections.

Two groups surrounding the president clearly stood out in this situation. One advocated a hard-line solution to the problem, the other argued that there were no constitutional grounds for postponing the elections or for such edicts. If there were such, they needed to be submitted to a court.

[Kasyanenko] Can you say who specifically represented which group?

[Ilyukhin] Presidential aides Baturin, Livshits, and Satarov adopted a pretty hard-line stance in this clash; these were people ready to accept any unlawful decisions. I would also put Soskovets and Korzhakov in that group. Fortunately, there was also a group of pretty level-headed people in the president's entourage who thought somewhat differently and they cautioned the president against signing the edicts. Ilyushin, the president's number one aide, adopted a sensible stance; Chernomyrdin conducted himself with restraint; I specially noted the role played by Internal Affairs Minister Kulikov, who revealed to the president the utter destructiveness of the measures prepared. Moreover, an analytical report examining six possible outcomes from the introduction of a state of emergency was put on the president's desk. All six scenarios showed that the president was going to lose anyway if a state of emergency were introduced. Certain voices of reason pointed out that troops could be committed and the Duma dissolved within three to four days, but what happens next? The president would be left to face the problems on his own. A slow process of rallies would start up. There would be strikes, sealed-off roads. But what then? Would the troops perform the legislators' role. And what was to be done about the people?....

Given this situation, the president was forced to say that he renounced a strong-arm solution, but he was dissatisfied with his ministers (meaning Kulikov).

The "hawks," as they are conventionally known, left the other groups a little way behind during the first stage of these events. It was on their insistence that the spetsnaz were brought in to Moscow. The Taman and Kantemir divisions were put on combat readiness. The State Duma was sealed off although there was no bomb in the building. The plan thus began to be put into effect. But on the morning of 18 March it was aborted. The forces of common sense triumphed. An order was issued that the spetsnaz be withdrawn and the divisions left where they were.

That is how I see the events. We have prepared questions on this for Korzhakov, Kulikov, and Barsukov. Put in strictly legal terms, this was nothing less than an attempted coup d'etat. The prosecutor's office has every grounds for initiating an investigation and deciding whether criminal proceedings should be instituted.

[Kasyanenko] Against whom?

[Ilyukhin] The investigation will show who actually issued the orders.

[Kasyanenko] And how, in your opinion, will the Federation Council react to the Voronezh governor's request for the postponement of the elections?

[Ilyukhin] If it makes such a decision, it will cover itself in ignominy. The elections could be deferred, but that won't save Russia. As a specialist in jurisprudence and a practicing lawyer, I can tell you today that everything that we have created since 1991 in terms of building the state and law has very shaky foundations. After all, the Supreme Soviet and the Congress of People's Deputies adopted the decision to dismiss the president from office on 23 September 1993. There is also the Constitutional Court ruling. They have not been repealed by anyone. And they have legal force. And the fact that Boris Nikolayevich has submitted his own draft law confirming all legal acts since 1991 causes real surprise. I would like to ask Boris Nikolayevich: Do you also want to confirm the Supreme Soviet decision dismissing you from office?

All this shows once again the vulnerability of what we have built. And in such a situation we need to repeat to the president: elections, elections — they are the only way. The president must in the end secure his legitimacy. I hope the Federation Council will also understand the situation.

[Kasyanenko] What else could the presidential structures do, do you think, to wreck or postpone the elections?

[Ilyukhin] I do not think that a strong-arm solution can be ruled out. We must show vigilance. And I decided on this interview solely out of those considerations. The people must know who is responsible for the threat of tanks appearing on the streets of cities.

Russia: Elite Troops 'Will Not Participate' in Coup

MM2603203496 Moscow PRAVDA in Russian 27 Mar 96 p 1

[Article by Boris Golyshev: "'X' Hour Postponed for the Time Being"]

[FBIS Translated Text] President B. Yeltsin began to act very strangely following the State Duma's adoption of the decree "On Deepening the Integration of Peoples Formerly United in the USSR" and rescinding the RSFSR Supreme Soviet's Decree of 12 December 1991, "On Denouncing the Treaty on the Formation of the USSR."

His statements on television are redolent with impatience, hidden threats, and hints that he has still not had his final say. The "guarantor of the Constitution" is behaving as if it were a question not of deepening the integration of the peoples, but of preparing intervention against Russia.

We have already seen this sort of thing, when he tried to introduce a "special regime for governing the country," and then in September-October 1993 arranged the exemplary shelling of the Russian parliament. An ominous fact is that, after the Duma's decree of 15 March this year, he assembled for a meeting not the ministers for nationalities affairs, the economy, and transport, who influence the rapprochement of peoples, but the power ministers. Why should this be? The Soviet Officers' Union decided to familiarize themselves with the situation in the units and combined formations that in October 1993 were the main argument in the quarrel between the Supreme Soviet and the president.

They met with officers of the Taman and Kantemir Divisions. And here is what officers, warrant officers, and their wives said about the situation in these garrisons.

Since 17 March both divisions have been placed on combat alert. Units and subunits have been reinforced with personnel up to the level of 80 percent. The training division in the city of Kovrovo has graduated a group of tank drivers and other specialists ahead of schedule specially for these and other combined formations. The formation of tank crews is under way.

For the first time since October 1993 two basic loads of ammunition have been issued to subunits; tanks and infantry fighting vehicles have been loaded with them. Two refills of fuel have been issued to all types of combat vehicle.

All this is being done on the pretext of carrying out "bilateral exercises" from 26 through 29 March. Two regiments apiece have been isolated from the Taman and Kantemir Divisions specifically for this task. But already 22 March two battalions of the Taman Division went into in Moscow, allegedly to patrol the streets of the capital. It is symptomatic that at this same time the MChS [Ministry for Affairs of Civil Defense, Emergency Situations, and Elimination of Natural Disasters] and the Federal Security Service were carrying out their exercises. In the opinion of officers and warrant officers of both divisions, they are evidently

being prepared for the seizure of the State Duma and to rout communist and people's patriotic organizations. Everyone we have spoken to has stated that they will not participate in such an action. At the same time, it cannot be ruled out that among the thousands of decent enlisted men, NCO's, and officers a dozen scoundrels will be found who will agree, in exchange for big money, to fire a tank even at their own homes.

President B. Yeltsin apparently intends to visit the 27th Motorized Rifle Brigade in Teplyy Stan 27 March. This brigade, according to its operational bill, is expected to defend the Kremlin and government institutions. The brigade is energetically preparing for this. It is said that the president will speak and make one or two promises to the military. Notably to increase their monetary allowance by 80 percent. But this will be done in a cunning way, through various bonuses to their basic pay. And the heart of the trick is that military pensioners will gain almost nothing from this.

Last week we were close to tragic developments. The "denunciation" crisis showed that the president continues in difficult situations to lean toward the Taman-Kantemir arguments. On the other hand, in the upper echelons of power, including the power structures, people were found who appraise soberly how the use of armed force for political purposes could end.

This is a rational approach. Times have changed. The troops' romance with "democratic euphoria" is over. The Army is sick to death of "reforms" and the war in Chechnya. It would have drawn a line under it long ago, if the politicians had not prevented it.

People should not mess with the Army. What politicians devise in the quiet of their offices, the soldier writes in the dusty ground in his blood. And the Russian Armed Forces will hardly want to be dragged yet again into a fratricidal war.

Russia: MVD Investigates Bribery Among High-Ranking Officials

LD2603204396 Moscow INTERFAX in English 2014 GMT 26 Mar 96

[FBIS Transcribed Text] MOSCOW, March 26 (Interfax) — The Russian Interior Ministry [MVD] has materials "on rather high-ranking officials, and we will work on these cases until the end," Aleksandr Dementiev, head of the Russian Interior Ministry's Economic Crime Department, said at the Interior Ministry Institute in Moscow Tuesday.

The cases are being investigated by the Russian Prosecutor General's Office, he said, while the Interior Ministry provides operative assistance.

Dementiev expressed confidence that even very high-ranking officials will face trial if there is proof of their guilt. "Today is not the time when we can forgive anybody," he said.

The task is to coordinate activities of Interior Ministry and Prosecutor General's Office investigators in the collection of proof of particular officials' guilt. He added.

According to Dementiev, Russian Interior Minister Anatoliy Kulikov currently orients his colleagues to expose crimes by high-ranking officials, and not look for scapegoats.

What matters now is "not just how many incidents of bribe-taking were uncovered, but who was implicated and how good the proof is," said Dementiev.

He said the Interior Ministry has materials on an official who received a bribe estimated at $2 million. "However, this is by far not the limit, there are bigger bribes but they require a more large-scale approach, serious operative and investigative work," said Dementiev.

Russia: MVD Conference Discusses Corruption Problems

LD2603140796 Moscow Russian Television Network in Russian 1100 GMT 26 Mar 96

[FBIS Translated Text] A conference at the institute of the Russian Interior Ministry [MVD] today discussed problems of corruption.

[Correspondent I. Gritsenko] About 20,000 crimes connected with corruption are recorded in Russia every year now, but experts are sure this figure is insignificant and is less than one percent of the real scale of corruption. Last year, over 4,000 crimes were recorded in Moscow last year which involved bribery of officials. Only half of these cases came to the courts. A poll of businessmen in the capital showed that several thousand bribes are given and taken in Moscow alone — in one day.

[Begin Ye. Gracheva, head of a department of the Interior Ministry institute, recording] In today's legal language, the concept of corruption does not exist. This concept has not been defined, and we lawyers favor very clear concepts of categories and definition, and if we don't know and cannot define what corruption is in the law, then it becomes pretty much a problem and difficult to fight this thing. [end recording]

It was pointed out at the conference that corruption has taken particular hold today in such spheres of the economy as export-import operations with oil. One-fifth of this strategic raw material was exported last year in the form of contraband. The motor-vehicle business,

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real estate, land deals, banking — here, corruption is on a huge scale. Specialists calculate that because of this, there is $300 billion worth of capital of Russian origin in foreign banks, and we are therefore essentially donors of a mutinous economy. The scale of this shady economy in Russia is up to 50 percent of the legal economy. The main hope of the country's lawmakers now lies in a law on corruption, which has been prepared by parliamentarians and which Boris Yeltsin is due to sign. [video shows police raid, hoard of weapons and banknotes, interview, scenes at conference]

Russia: Yeltsin Plan for Financial Backing of Regions Implemented

LD2703100896 Moscow ITAR-TASS in English 0942 GMT 27 Mar 96

[FBIS Transcribed Text] MOSCOW March 27 (Itar-Tass) — The implementation of the presidential plan for financial backing for regions aimed at repaying wage arrears and debts for benefits for children and other social payments proceeds on schedule, said Aleksandr Livshits, the Russian President's adviser for economic affairs, the presidential press service reported on Wednesday.

As of March 27, one-hundred per cent financial aid has been supplied to two more areas: 103.1 billion roubles to the Rostov region and 67.1 billion roubles to the Republic of Ingushetia.

As of today, funds were received in 63 areas of the country. 85 per cent of the total sum coordinated with heads of regional administration has been paid out.

Funds remain to be supplied to 18 areas, Livshits said.

Russia: Zyuganov Rules Out Private Property on Farmland

LD2703101196 Moscow ITAR-TASS in English 0956 GMT 27 Mar 96

[By Valentin Pavlov]

[FBIS Transcribed Text] BIYSK March 27 (Itar-Tass) — Presidential hopeful and communist leader Gennadiy Zyuganov is categorically against private property on farmland and believes it can be only leased for life.

Addressing collective farmers in the Altay region in southern Siberia on Wednesday, Zyuganov blasted the current national leadership for "killing" the state and collective farms through the land reform, the pricing and taxation policy.

"It is well-known that he who owns land owns the country", Zyuganov said. Communists and the conservative Agrarian party claim that, if private property on farmland is allowed, the land would be bought out by rich mafia clans.

"The peasants, deprived of their land, will turn into homeless and jobless people", Zyuganov said adding that the "farmland should be leased for life to those who toil it with the right to transfer it to their heirs".

A poll held by local journalists among peasants of the "Promyshlennyy" collective farm, where Zyuganov was speaking, showed that there were practically no people wishing to buy farmland.

Zyuganov said his election programme categorically rejects private property on farmland which fully coincides with the programme of the Agrarian party.

"We fully support it and will implement it in case we come to power", he said.

However, the communist leader played down fears that rural residents, who have small land plots in private property, would lose them. "Nobody is going to take away land plots with countryside cottages, backyards, garages, etc. The law allows any citizen to use those land plots as he wishes", he said.

At the same time Zyuganov believes all forms of agricultural companies should be preserved.

"It is necessary that all forms of production exist: collective and state farms, private farms and joint stock companies", he said adding that the state has to financially back domestic agricultural producers.

Russia: CPRF Seen Exploiting Duma Privileges

MM2603164196 Moscow KOMSOMOLSKAYA PRAVDA in Russian 26 Mar 96 p 3

[Article by Olga Gerasimenko under the "Little Ruses" rubric: "Communist Party Hierarchy — From Central Committee to Rayon Committee — Is Paid for by the Taxpayer"]

[FBIS Translated Text] The organizational abilities of the Communist Party, which withered in the fall of 1991, are again putting forth green shoots. While the democrats engage in mutual recriminations and try to sort out their own campaign staffs, the Communists are methodically turning the State Duma into a Central Committee and are restoring obkoms [party oblast committees] and raykoms [party rayon committees]. And doing so at state expense, as it transpires.

"We Have a Primary Organization Even in the Kremlin..."

I found the office of Sergey Aleksandrovich Potapov, CPRF [Communist Party of the Russian Federation]

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Central Committee secretary for organizational work, on the eighth floor of the State Duma. A perfectly ordinary pencil box of an office, with phones and a fax machine. Ilich stares mistrustfully at visitors from the wall. There is also mistrust in Potapov's gaze, although a friend who is a staffer on the Central Committee apparatus has vouched for me. "You are not in a party office, you are in the office of a parliamentary deputy," Sergey Aleksandrovich explains.

...At the December elections the CPRF got a total of 157 people into the Duma (34.9 percent of the total number of deputies), and not a single "passenger" among them. The entire party leadership obtained seats as deputies: Gennadiy Zyuganov himself; both his deputies, Valentin Kuptsov and Aleksandr Shabanov; all five Central Committee secretaries — Ivan Melnikov ("international affairs"), Nikolay Bindyukov ("ideology"), Sergey Potapov (organizational work, "liaison" with the regions), Viktor Peshkov (election campaign organizer), and Gennadiy Seleznev ("looks after" the mass media). Interestingly, they all got into the Duma on the party ticket without running in districts — clearly in order to avoid any unnecessary risk. Out of 19 members of the Central Committee Presidium 17 are State Duma deputies.

The present CPRF leadership began opening up Duma offices back in 1993: Zyuganov, Seleznev, and Bindyukov as deputies in the Fifth State Duma, Kuptsov headed the faction's apparatus, Potapov was a consultant to him, and Peshkov had a job as aide to one deputy. Only Melnikov and Shabanov (both are senior lecturers) were lecturing at Moscow State University. Incidentally, Yevgeniy Burchenko, the present CPRF Central Committee administrator of affairs (an electromechanical engineer by trade), is a consultant to the CPRF faction apparatus and has his own office in the State Duma building.

The CPRF has every reason to be proud of its personnel policy. In contrast to many deputies belonging to other factions, who have recruited spouses, friends, and acquaintances as aides, the party itself looks after choosing the "staff" for Communist deputies. It is precisely laid down that each Communist Duma deputy must have five aides (according to the law they can have between one and five): one in Moscow and four in the regions. The latter usually combine serving as aide to the deputy with their main job — raykom, gorkom [party city committee], or obkom secretary. This is doubly convenient: According to the law almost 4 million rubles from the state budget is allocated to each deputy each month to pay for aides. The Communist deputies have almost 800 aides, who essentially constitute the organizational nucleus of the party. And they are all paid for by the state! Incidentally, a deputy's aides are entitled to free travel, parking places at the parliament building, and access to State Duma working documents. And thanks to their "cover" they have an in at many state institutions.

The Duma Communists have also set themselves up quite comfortably. Like any other deputy, they have a full range of modern office equipment at their disposal and have the right to summon an official vehicle. Twelve CPRF members are Duma committee chairmen and therefore have their own staffs, cars with government license plates, and also access to the "government hot line" ["vertushka"] (ATS-1 and ATS-2 special communications).

Out of over 500,000 party people only three are paid directly by the CPRF: two receptionists at the Central Committee office and one bookkeeper. According to Central Committee Secretary Sergey Potapov, they all make no more than R300,000 a month.

The CPRF Central Committee nowadays is 143 people divided into 14 working commissions, including commissions on economic affairs and on women's affairs. Daily work is headed by a 19-member Presidium which includes one academic and one entrepreneur; all the rest are State Duma deputies.

In the last six years the CPRF has held three congresses. While at the second congress in February 1993 the average age of the delegates was over 50, at the third congress (January 1995) it was already 47 years, and at the February conference (1996) 45.9 years. According to internal party calculations, around 10 percent of CPRF members today are aged under 30 years.

Today it is far harder to get reinstated in the party than to join it afresh. According to the decree of the Third CPRF Congress "reinstatement in the party is individual" — the decision is adopted only at the level of the primary organization. Joining the party requires the recommendation of two Communists. However, very shortly — before the elections — the party is going to sharply limit its swelling staff. As Central Committee Secretary for Organizational Work Sergey Potapov put it, "we will shut up shop any day now."

According to another Communist who is also a State Duma deputy, the CPRF already has a list of new appointments for when it comes to power: Around 300 key state posts are scrupulously divided among the Red elite — the upper echelons of the CPRF.

Party cells will be entrusted with carrying out personnel policy at local level. There are presently over 20,000 of them in Russia. Central Committee Secretary Sergey

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Potapov assured me that one has even been set up in the Kremlin: "Otherwise we would not be Communists."

Russia: State Program for Protecting State Secrets Published

964F1543A Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5

[Abridged version of program for protecting state secrets and enabling presidential edict: "State Program of the Protection of State Secrets in the Russian Federation for 1996-1997"]

[FBIS Translated Text] The State Program of the Protection of State Secrets in the Russian Federation for 1996-1997 (hereinafter called the program) has been drawn up in accordance with the law of the Russian Federation "State Secrets" and in execution of Edict No. 1108 of the President of the Russian Federation of 8 November 1995 "Interdepartmental Commission for the Protection of State Secrets."

The program is of an official nature, and the concentration of the efforts of the federal executive institutions is required for its realization.

The financial resources for realization of the program shall be allocated from the federal budget.

Justification of the Need for Adoption of the Program

The law of the Russian Federation "State Secrets" regulating relations arising in connection with the attribution of information to a state secret and its declassification and protection in the interests of the security of the Russian Federation is being realized extremely slowly. This situation is leading to an increase in the possibility of a leak of information constituting a state secret. An inevitable consequence of this is a growth of the threat to Russia's security.

Foreign states are continuing to modernize their intelligence services and perfecting technical intelligence and increasing its possibilities. Multifunctional space, ground-based, aerial, and sea-based systems and complexes of foreign states with global reconnaissance possibilities operate against Russia continuously. The process of the creation and deployment of new reconnaissance systems, the improvement of the means and methods of the collection of information and its automated processing, and the training of skilled specialists—intelligence officers and analysts—continue here.

Interest in the Russian Federation as an intelligence target has increased. Foreign states' intelligence services are paying the main attention here to the process of the formation of Russia as an independent state in the structure of the world community, its domestic and foreign policy reference points, military policy and the ways it is being realized, the economic transformations that are taking place, the focus of scientific research and technical experiments, and an assessment of the Russian market. Questions of technology, finances, trade, and resources are being drawn into the sphere of intelligence to an ever increasing extent.

There has been a considerable expansion and alleviation of the conditions of the pursuit of intelligence. The creation of free economic zones, the increase in the number of sites of foreign inspections, and foreign citizens' unrestricted movement practically throughout Russia have contributed to this to a considerable extent. Access to information in the military sphere and the sphere of the economy, science, and technology is afforded in connection with the development of integration processes and conversion and the extensive introduction of imported unprotected computer equipment in all spheres of the activity of the state.

A real danger of a leak of information constituting a state secret is growing in connection with the increasing volume of scientific and technological material published in the open press and also the expanding international cooperation of enterprises, institutions, and organizations, which, owing to a lack of the necessary financing, seek any opportunities to realize work that they have done, of defense significance included.

In addition, under the conditions of radical changes in the political and economic structure of the Russian Federation mechanisms of the protection of state secrets that were devised earlier no longer correspond to the new conditions and are becoming ineffective to a considerable extent.

Purpose of the Program

The purpose of the program is an improvement in the system of the protection of state secrets on the basis of the creation and practical introduction of a mechanism of realization of the law of the Russian Federation "State Secrets."

Basic Objectives of the Program

The accomplishment of the following basic objectives is envisaged to achieve the purpose of the program:

— formation of the prescriptive-legal base of the system of protection of state secrets;

— improvement of the structure and material and technical and personnel support of the system of protection of state secrets;

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— scientific research and technical efforts in the interests of realization of measures to protect state secrets.

Basic Directions of Realization of the Program

For the accomplishment of the basic objectives it is contemplated in 1996-1997 paying the main attention to the elaboration and implementation of measures that take account of the new political and economic conditions.

Specifically:

— the denationalization of the economy;

— the transition from the principles of bureaucratic rule to the establishment of legal relationships among all the participants in the process of the protection of information constituting a state secret;

— the need for the application of economically substantiated criteria upon determination of the expediency of the classification and withdrawal from unrestricted circulation of information constituting a state secret;

— the establishment of the personal responsibility of the leaders of federal institutions of state power, institutions of state power of components of the Russian Federation, local government authorities, and enterprises, establishments, and organizations for the results of their activity in the sphere of the protection of state secrets.

The new political and economic conditions and the realization of new approaches to the problem of the protection of state secrets require the elaboration of proposals on revisions and addenda to federal laws regulating questions of the protection of state secrets and also draft prescriptive legal documents determining the procedure;

— the transmission by a federal institution of state power, an institution of state power of a component of the Russian Federation, a local government authority, or an enterprise, establishment, or organization of information constituting a state secret, in the event of a change in their functions or form of ownership, liquidation, or the termination of operations involving the use of information constituting a state secret, to another federal institution of state power, an institution of state power of a component of the Russian Federation, a local government authority, or an enterprise, establishment, or organization;

— the transmission of the results of work of defense significance for use in the conversion sphere;

— the transmission of information constituting a state secret to other states;

— the protection of state secrets in overseas establishments of the Russian Federation;

— the protection of information constituting a state secret in the processing of information involving the use of technical facilities;

— the access of officials and citizens to information constituting a state secret and their bearer and also at enterprises and in establishments and organizations performing work involving the use of information constituting a state secret;

— the secrecy of the transportation of special freight;

— the declassification of documented information attributed to the category of restricted access and stored in state archives of the Russian Federation.

The program specifies the provision of federal institutions of state power, institutions of state power of components of the Russian Federation, local government authorities, and enterprises, establishments, and organizations with prescriptive legal documents and methodological documentation for the protection of state secrets.

The basic directions of an improvement in the structure of the system of protection of state secrets are:

— the delineation of the functions of the federal institutions of state power in the sphere of the protection of state secrets;

— the licensing of the activity of enterprises, establishments, and organizations involving the use of information constituting a state secret and the creation of facilities for protecting information and also the implementation of measures and/or the rendering of services for the protection of state secrets and the exercise of this activity with information of the corresponding degree of secrecy;

— determination of the head research organization coordinating scientific research in the sphere of the protection of state secrets;

— the creation of a system of certification of information protection facilities;

— the development of a system of interdepartmental and departmental control of the protection of state secrets.

The program provides for scientific research and engineering efforts in the sphere of the protection of state secrets, which has to do with the absence at the present time of a number of methodological documents and the series manufacture of domestic information protection

facilities and means of control corresponding to modern requirements. It is planned paying the main attention here to the elaboration of:

— a concept of the protection of state secrets in the Russian Federation;

— the methodology of determination of information subject to classification;

— the methodology and procedure of determination of the extent of the damage that could be caused the security of the Russian Federation as a consequence of the unsanctioned dissemination of information constituting a state secret and also of the damage caused enterprises, establishments, and organizations and the citizens in connection with the classification of information which constitutes their property;

— a model of threats to the security of information subject to protection;

— methods and techniques of the protection of the state secrets and also methods of an evaluation of their efficiency in the creation, series production, and operation of arms and military equipment and in the planning and construction of military and industrial facilities;

— means of the protection of information constituting a state secret and protected means of the processing and transmission of such information and also means of supervision of its protection.

For an improvement in the personnel support for the authorities protecting state secrets it is contemplated:

— drawing up programs of the training (retraining) and skills improvement of personnel for the authorities protecting state secrets;

— drawing up educational aids on questions of the protection of state secrets;

— training and retraining specialists for work in the authorities protecting state secrets.

In connection with the fact that the material and technical facilities of the system of protection of state secrets are at this time outmoded to a considerable extent the program provides for the implementation of measures for supplying the federal executive institutions that are the principal executants of the program and also the certification centers and special training centers with modern technical protection and control facilities.

Anticipated End Results of Realization of the Program

Realization of the program will make it possible to further improve the system of the protection of state secrets based on the creation and introduction of a mechanism of realization of the law of the Russian Federation "State Secrets" and ensure the dependable protection of information constituting a state secret with observance of a balance of the interests of the state, society, and the citizens.

Economic benefits from realization of the program are anticipated thanks to:

— the prevention of damage that could be done to the security of the Russian Federation as a result of the unsanctioned dissemination of information constituting a state secret;

— the rational expenditure of resources on the protection only of the information whose unsanctioned dissemination could truly be detrimental to the security of the Russian Federation;

— the elimination of duplication in the activity of the authorities protecting state secrets as a result of an improvement in the coordination of the operations conducted in the interests of the protection of state secrets and the optimization of their structures.

Control and Coordination of Operations

The official client of the program is the State Technical Commission in the Office of the President of the Russian Federation.

The program will be realized with the participation of federal executive institutions.

Individual provisions of the program may, if necessary, be adjusted with regard to the socioeconomic development of the Russian Federation, allocated funds, and the results achieved in the course of realization of the program and formalized in the form of annual plans confirmed by the Interdepartmental Commission for the Protection of State Secrets.

Funds of the federal budget channeled into realization of the program shall be allocated the official client of the program.

The draft prescriptive legal documents drawn up in the course of realization of the program shall be considered by the Interdepartmental Commission for the Protection of State Secrets and, following approval, submitted in the established procedure to the Government of the Russian Federation.

The federal executive institutions that are the executants of the program shall be responsible for the timely and complete fulfillment of the measures for its realization and the rational use of the allocated funds.

The Ministry of Economy of the Russian Federation shall with the Ministry of Finance of the Russian Federation and the State Technical Commission in the Office of the President of the Russian Federation organize expert inspections of the course of realization of the program and of the earmarked and efficient use of the funds allocated from the federal budget.

Overall supervision of realization of the program shall be exercised by the Interdepartmental Commission for the Protection of State Secrets.

The federal executive institutions that are the executants of the program shall at the request of the official client of the program furnish an account of the progress of its realization for collation and the report of the Interdepartmental Commission for the Protection of State Secrets.

The feasibility study of the program is attached.

Edict of the President of the Russian Federation: 'State Program of the Protection of State Secrets in the Russian Federation for 1996-1997'

In accordance with Edict No. 1108 of the president of the Russian Federation of 8 November 1995 "Interdepartmental Commission for the Protection of State Secrets" and also for the purpose of an improvement in the system of protection of state secrets I resolve:

1. To confirm the attached State Program of the Protection of State Secrets in the Russian Federation for 1996-1997 (hereinafter called the program).

2. To determine as the program's official client the State Technical Commission in the Office of the President of the Russian Federation.

3. That the Government of the Russian Federation shall:

— confirm within two months' time the plan of the elaboration in 1996 of prescriptive legal documents for the protection of state secrets specified by the program;

— determine the sources of funding in 1996 of the measures for the elaboration of prescriptive legal documents for the protection of state secrets;

— include the program on the list of federal earmarked programs funded from the federal budget and make provision in the drafting of the federal budget for 1997 for the allocation in the established procedure of funds for realization of the program.

[signed] B. Yeltsin, president of the Russian Federation

[dated] The Kremlin, Moscow, 9 March 1996
No. 346

Russia: Commentary Views Burgeoning Drugs Trafficking

MM2603144996 Moscow KRASNAYA ZVEZDA in Russian 19 Mar 96 p 4

[Article by Vitaliy Strugovets under the "View of Problem" rubric: "Drugs Mafia: Blow Aimed at Russia"]

[FBIS Translated Text] Approximately 50 kg of narcotic substances were detained on Russia's borders in 1992. In 1993 — 500 kg. In 1994 the "drugs haul" totaled almost 3.5 tonnes. Last year, 1995 — 6.5 tonnes. Drug smuggling has increased over 130 (!) fold in the space of four years....

What has brought about this truly monumental increase in the importation of narcotic substances into Russia and in their transit across its territory? Specialists of the MVD [Ministry of Internal Affairs], the State Customs Committee, the Federal Border Service [FPS], and the International Narcotics Committee, to whom I put this question, practically unanimously named a number of similar causes. Above all, there is the broadening of the social sphere, of the so- called "culture medium" which requires supplies of ever larger quantities of narcotic substances onto Russia's markets. Whereas in 1993, according to MVD data, approximately 1 percent of Russia's population (1.5 million people) were considered drug addicts, in 1995 the International Narcotics Committee cited different data — 6 million. Some 1 million of them were teenagers. Approximately 20 million more Russians (5 million schoolchildren) have tried drugs at least once.

The second reason is the favorable conditions in Russia for "laundering" criminal money and the possibility of making superprofits in the sphere of the drugs business. In the opinion of specialists, every ruble [R] invested in the Russian drugs business yields a net income of R1,000 — considerably higher than the overall world level. At the same time, Interpol President Bjorn Eriksson pointed out at a meeting with journalists in Moscow that "the risk of arrest in Russia is not as great as in other states." In addition, Interpol specialists ascribe the attention that international drugs cartels pay to Russia to the intensified fight against the drugs business in West European and American countries, which is forcing criminals to look for new drug transportation routes and sales markets.

This "interest" has also been registered by the Moscow Administration for Combating Illegal Drug Trafficking. According to Police Colonel Vladimir Khayretdinov, the administration's deputy chief, over 3,000 crimes associated with the manufacture, sale, carrying, and gathering of narcotic substances (approximately 100,000

similar crimes throughout the Russian Federation) were cleared up by them in 1995 alone. Over 360 kg of hard drugs were confiscated from drug dealers. Unfortunately, this is just the visible tip of the iceberg. According to the administration's estimates, at least 10 times more "white death" was sold in Moscow last year. At the same time over half the drugs in circulation are not primitive poppy straw or hash but strong heroin, methadone, and cocaine, which have recently been coming into Moscow in increasingly large quantities from Asia, Europe, and America.

In the opinion of informed sources, international drugs syndicates are now developing new routes by which to transport drugs: Peru-Russia-France-Germany; Colombia (Brazil)-Russia-Britain; Chile (Argentina)-Russia-Poland.... These plans are confirmed by recent arrests of drugs couriers. On 26 January this year customs officers at Moscow's Sheremetyevo Airport confiscated over 13 kg of cocaine from three passengers arriving from Rio de Janeiro (Brazil). Two weeks later two female citizens of Britain and the Netherlands were detained there in transit from Cuba to Poland. Each had 4.5 kg of cocaine hidden in the double walls of their bags.

Another important reason for the flood of "white death" into Russia is the Russian Federation's so-called "transparent" borders with a number of CIS states and the easing of the regime for guarding the external border on the part of some of them. For clarity, here is just one example — Omsk Oblast. Traditionally considered one of the most tranquil oblasts, recently it suddenly and abruptly started to feature among the "drugs leaders." At the end of last year, for example, 80 kg of marijuana was confiscated in the course of just one operation conducted by staffers of the local FSB [Federal Security Service] administration. The possessors of the drugs — a resident of Omsk and two "guests" from Kokchetav (Kazakhstan) — were detained. As the Omsk Oblast Internal Affairs Administration stated, after the USSR broke up and the oblast turned from a inaccessible oblast into one on the border (unfortunately, only territorially), it became one of the most preferred channels for getting drugs into Russia from Central Asia. The local police organs and security services now detain dealers in "white death" practically daily.

In general, if we speak of Russia's borders, specialists single out five areas there which have become fundamental to the movement of drugs.

The Baltic area. A kind of "drugs ring" is taking shape here (the Baltic states and Kaliningrad Oblast), with Lithuania wielding the main "influence" and with access by sea to Scandinavia and West Europe. It is mainly synthetically produced narcotic substances that are transferred through these channels.

The Western area. Drugs of vegetable origin, mainly poppy straw, predominate on the borders with Ukraine and Belarus. According to the data of the FPS News Agency, over 270 kg of narcotic substances were confiscated there in 1995.

The Caucasus area. The borders with Georgia and Azerbaijan. The most "tranquil" of all the areas in which drugs pose a danger.

The Central Asian area. Active use is made of the territories of Kazakhstan, Turkmenistan, and Uzbekistan for the transit of drugs from Afghanistan and Pakistan. Recently, for example, 15 tonnes of marijuana destined for delivery to the Netherlands and Turkey was detained in Uzbekistan. Over 1 tonne of narcotic substances were confiscated in Turkmenistan during an attempt to export them illegally from the republic.

At the same time the Tajik-Afghan section of the border can boldly be singled out as a separate area. The main flow of drugs is from the states of the so-called "golden crescent" — Iran, Pakistan, and Afghanistan — which, according to some estimates, supply the world market with up to 80-90 tonnes of heroin and thousands of kilograms of raw opium a year. Active use is made of Tajik opposition gunmen to get drugs across the border. According to the FPS information agency data, in 1995 servicemen of the Group of Russian Border Troops in the Republic of Tajikistan scotched dozens of attempts to send consignments of raw opium with a total weight of approximately 1.5 tonnes from Afghanistan. But the start of this year has convincingly shown that the "harm" done to dealers in the drugs business has not cooled their ardor. Thus, 230 kg of drugs were detained 13 January in the Khorog Border Detachment's sector. On 15 January the Kalay-Khumb Border Detachment detained 100 kg, on 17 January the Ishkashim Border Detachment detained 250 kg, on 3 February the Pyandzh Detachment's border guards detained 90 kg....

Finally, the remotest, but certainly not the most tranquil area is the Far East. The main "export" here is psychotropic agents, which are sold openly inside China and from which clever locals using primitive production methods, produce hard drugs. One of the biggest consignments — 9.4 kg of ephedrine — was discovered 24 January at the "Passenger-Railroad-Border" crossing during an examination of a Chinese train.

Drugs dealers use various methods to transport their wares, ranging from registering drugs in the guise of a different commodity to elementary double walls of suitcases. On the Baltic borders drugs have been found in

car tire inner tubes, in hermetic packages in gasoline tanks, and in door linings. On southern borders consignments of carefully packaged nuts and dried fruits have been detained, with the centers cleared out and filled with heroin. Customs officers at Sheremetyevo have discovered drugs inside statuettes being imported into Russia as Brazilian national souvenirs.... The activeness of the border guards and customs officers in the struggle against the drugs mafia is making the latter have increasingly frequent recourse to the tried and tested "ant transportation" method, whereby numerous couriers carry relatively small and, therefore, hard to detect consignments of drugs.

In the opinion of specialists, the main flow of drugs is conveyed by railroad transport. The share of air and road transport is relatively small — approximately 5 percent each.

The situation in which Russia is becoming a kind of "transshipment center" for dealers in the drugs business has required all the interested Russian departments to familiarize themselves with international experience. German, U.S., and British customs officers have already been to Russia. The Russian Federation FPS has concluded important agreements on border cooperation with Hungary and India.

...All this, however, is only on paper at present. In fact, the drugs mafia is still advancing on Russia. This is confirmed by the final figures for January compared with the whole of last year, which were provided to us by the State Customs Committee. Since the beginning of the year 36 kg of cocaine (98 kg for the whole of 1995), 2 kg of heroin (9 kg), and 16 kg of opium (27 kg) have been detained. One-third (!) of last year's amounts in the space of one month....

In conclusion, two more figures. In 1993 the Russian interdepartmental program for combating drug addiction required R80 billion. Not one kopek was allocated. They have promised R40 billion for this year. But when will it come?...

The drugs mafia experiences no lack of funds. It plays the "game" on a large scale, with a strategic threat....

Russia: Correction: Zyuganov Presents Election Platform

MM2003140696

The following correction pertains to the item headlined "Zyuganov Presents Election Platform," published in the 20 March Central Eurasia DAILY REPORT, page 25:

Column one, third paragraph, last sentence make read: ...law and civil rights been trampled, the... (supplying the missing word "rights").

Media Issues

Russia: Ryabov Suggests Free Airtime for Candidates Be Cut

LD2603141596 Moscow ITAR-TASS in English 1350 GMT 26 Mar 96

[By Tamara Ivanova]

[FBIS Transcribed Text] MOSCOW, March 26 (Itar-Tass) — Chairman of the Central Electoral Commission Nikolay Ryabov, addressing the all-Russian seminar "TV and Radio Broadcasting and Elections" on Tuesday, suggested that free broadcasting time given for election advertising to presidential candidates be sharply cut.

Ryabov said that this measure is necessary to ease somehow a lack of budgetary financing for these services.

The chairman noted that free advertising by state-owned TV and radio companies had no budgetary appropriations during the last parliamentary election campaign.

According to preliminary estimates, regional companies suffered damages of 50-60 billion roubles. Nevertheless, this item of outlays was not included in the 1996 budget. Besides, there is small hope that a request to the State Duma to permit financing of these operations will be approved.

Ryabov suggested that time for free advertising should be cut by several times. That is presidential candidates can receive only ten minutes instead of 30 minutes which were given to election associations and blocs during the past election campaign.

If top executives of state-owned regional TV and radio companies approve this proposal, it will be recorded in a draft instruction of the Central Electoral Commission concerning election advertising in the media.

The approval of the instruction is scheduled for March 29. Participants in the seminar, sponsored by the Association of Regional TV and Radio Companies and the Russian Federal Service on Television and Radio Broadcasting, believe it necessary to put some other specifications in the draft of this instruction.

For instance they claim that forms of political advertising should be more clearly defined.

Russia: National, Local Broadcasting Bodies Sign Agreement

LD2603222396 Moscow Radio Rossii Network in Russian 1900 GMT 26 Mar 96

[FBIS Translated Text] On Tuesday the Russian Federal Service for Television and Radio Broadcasting signed

a contract with the All-Russian State Radio and Television Company [VGTRK] and the council of heads of regional television and radio companies. Eduard Sagalayev, the chairman of the All-Russian State Radio and Television Company, explains why it was necessary to sign such an agreement:

[begin Sagalayev recording] We decided to stop the cold war which in fact had been continuing for several war between VGTRK and Russia's regional radio and television companies. The reasons for this war were that the regional television companies on the whole broadcast one and a half to two hours on the second channel, the VGRTK. In actual fact the local state radio and TV companies have opt-outs [perekryvayut] lasting one and a half to two hours as is inevitable in principle but far more, at their own discretion very frequently they drop fairly popular programs of Russian television or very important ones like Vesti. It was necessary to put a stop to such broadcasting chaos. It is for this reason that today we signed an agreement which provides for mutual obligations to be undertaken which boil down to local radio and television companies not to opt out from Russian television programs when and how they want, that is to say, they will take into account our interests. Thus, this agreement offers a real opportunity to bring to our viewers everything we produce and everything we screen. [end recording]

Military Issues

Russia: Grachev's Order for April-June Military Draft Published

MM2603162796 Moscow KRASNAYA ZVEZDA in Russian 26 Mar 96 p 1

[Russian Federation Defense Minister's Order of the Day No. 124, "On Drafting Russian Federation Citizens for Military Service in April-June 1996 and Discharging From Military Service Soldiers, Seamen, NCO's, Petty Officers, and Military Construction Personnel Who Have Completed Their Prescribed Period of Military Service," signed by Russian Defense Minister Pavel Grachev in Moscow on 22 March 1996]

[FBIS Translated Text] In accordance with Russian Federation Presidential Edict No. 406 of 21 March 1996 **I ORDER**:

1. That soldiers, seamen, NCO's, petty officers, and military construction personnel who have completed their prescribed period of military service be discharged from military service.

2. That in April-June 1996 the commanders of military district troops and military commissars, in conjunction with the heads of local administrations, organize and conduct the draft for military service in the Russian Federation Armed Forces, other troops, and troop formations of Russian Federation citizens born in 1969-1978 and not entitled to exemption from or deferral of the draft for military service.

3. That this order be read out in all companies, batteries, squadrons, and aboard ships.

[signed] Russian Federation Defense Minister Army General Pavel Grachev

[dated] Moscow, 22 March 1996

Russia: Black Sea Fleet Poses 'Difficulty' in Treaty With Ukraine

LD2603202896 Moscow INTERFAX in English 1833 GMT 26 Mar 96

[FBIS Transcribed Text] MOSCOW, March 26 (Interfax) — A full-scale treaty between Russia and Ukraine is ready for signing, although the work on an agreement on the Black Sea Fleet has not been completed yet, Deputy Russian Foreign Minister Sergey Krylov told journalists after Prime Ministers Viktor Chernomyrdin of Russia and Yevhen Marchuk of Ukraine met in Moscow Tuesday.

"There remain several difficult issues, which were discussed at the prime minister's meeting in detail," he said.

According to him, it will take one or two more meetings at various levels to resolve all the remaining issues.

Krylov stressed that the talks proceeded with difficulty. A full-scale treaty between the two countries will not be signed without an agreement on the Black Sea Fleet, he said.

The sides did not discuss mutual non-payments, said Krylov.

Chernomyrdin and Marchuk continued their talks "tete-a-tete" Tuesday evening, an Interfax correspondent reports.

Russia: Expert Queries Conscription Law, Army Manning Practices

MK2603150096 Moscow MOSKOVSKIYE NOVOSTI in Russian, No. 12, 24-31 Mar 96 (signed to press 25 Mar 1996) p 5

[Article by Aleksey Arbatov, deputy chairman of the State Duma Defense Committee (Yabloko faction): "Does the Nation Need an Impoverished Military?"]

[FBIS Translated Text] The struggle around the law "On Military Duty and Military Service," which continued

for nearly a year, has ended. Deputies of the State Duma refused to rectify a glaring injustice committed by their predecessors last spring.

It will be recalled that on 7 April 1995 the State Duma adopted the law "On Making Changes to the Law 'On Military Duty and Military Service.'" In particular it extended the conscripts' service term from an eighteen months to two years. The law was adopted with serious breaches of the permanent rules and under gross pressure by the Defense Ministry (the session's verbatim records show that the Duma was willfully misled). Soon the deputies understood what a strike they had delivered to their own standing on the eve of parliamentary elections and tried to amend the law. But they came up against the resistance of the Federation Council and the president. As a result, millions of Russian citizens were deceived: several hundred thousand conscripts called up for an eighteen-month stint and their parents, friends, and relatives.

The new Duma considered the problem irrelevant and long resisted its being put on the agenda. Last week a law redressing injustice was finally considered — and rejected. Its ardent opponents included "people's defenders," the Communists. Only 98 deputies voted in favor. "...The law is objectively aimed at disrupting the state's defense capability and destroying its Armed Forces and other troops" was the official verdict of the Duma Defense Committee. In fact, however, the country's defense capability is disrupted by the situation where the military is destitute and its soldiers do not believe in the moral integrity of the state.

What did the bosses gain by keeping 500,000 deceived soldiers in the military? The consequences of this will not be slow in making themselves felt. In the course of the spring call-up, announced a few days ago, the number of young people dodging military service will surely grow. There are many ways of doing this: giving a bribe, refusing to formally accept a call-up summons, fictitious departure for a CIS country, deliberate "self-mutilation...." Sadly, public opinion will be on the side of the lawbreakers. If the state does not act according to the rules, why then should a citizen behave appropriately? Moreover, everybody understands very well that there are no guarantees whatsoever that those being called up today will not eventually have their terms extended by another eighteen months. After all, such an idea exists and has its supporters in the Duma.

Yet let us assume that the leadership would get a military of the desirable numerical strength. What next? Addressing the Duma, a Defense Ministry Financial Directorate official said that the current budget meets only 70 percent of the Armed Forces' most pressing needs. What financial sources are the advocates of a bloated army hoping to tap in order to feed, clothe, and train the servicemen? As far back as last fall the military saw the beginning of a food crisis, and the Duma had to urgently pass a law on additional appropriations to prevent starvation of servicemen. This fall the crisis is likely to recur, only on a much larger scale. It is not known whether the State Duma will be able to provide additional funds or find new financing sources again.

The military itself admits that the funds currently being made available for defense are sufficient for a normal functioning of a 650,000-strong army. Some experts believe that 1 million is an optimum size. We, however, have 1.5 million servicemen under arms in the armed forces alone, plus 600,000 civil servants. Furthermore, there are many departments which use conscripts on grounds that are unknown to anybody....

Incidentally, one reason for understaffing in the Armed Forces is that they are supplied with conscripts on the "what is left over" principle. Therefore last year the Duma adopted a law whereby all the conscript contingents are to be sent to the Armed Forces and the Border Troops. They must be given priority in meeting their manpower needs because the Russian Constitution links military duty with the defense of the Motherland. (As is known, the functions of interior troops, Atomic Energy Ministry troops, and so forth are somewhat different.) The president vetoed the law. It is clear why. Every six months responsible officials in presidential structures begin to "distribute" the next call-up contingent by the departments concerned and commercial projects unrelated to national defense. In effect this is a quota-based regulation of resources far more precious than oil, gas, or metal: cheap, in effect free, workforce. It is this practice, not the allegedly insufficient call-up numbers, that accounts for the "undermanning" of the Armed Forces.

By giving the "go-ahead" to bloating the military, the Duma has played into the hands of those who are not interested in undertaking a serious military reform. They were spared having to rack their brains over the problem of a reasonable downsizing and a related reorganization of the Armed Forces. As concerns defense capability, the maintenance of a bloated military even on a starvation diet does not allow to provide enough funds for the support of military science or the provision of the Armed Forces with state-of-the-art weapons. Russia is in effect being pushed down the road of creating an Iraqi-type military: huge, untrained, poorly clothed, ill-disciplined.... Do official strategists really think that such a military will be best suited to perform the task of defending the Motherland?

Russia: Petersburg Conference Discusses Baltic-Black Sea 'Corridor'

MM2603101296 Moscow IZVESTIYA in Russian 22 Mar 96 p 2

[Report by Sergey Taranov: "Transport Corridor Between the Baltic and the Black Sea. It Will Bring Russians Thousands of Jobs"]

[FBIS Translated Text] When we are buying something, no matter what it may be, from a piece of meat to a television set, we rarely consider the fact that transport costs account for around 25 percent of the price of the commodity. The worse transport operates, the more each of us pays for its cost. And to improve transport radically is only possible on the basis of modern technology. An international conference on the creation of a transport corridor from the Baltic through the Center to the Black Sea opened in St. Petersburg 21 March.

Participants in the international forum are working on the introduction of new means of transport. Among them are the Russian and Dutch transport ministers, the Russian minister of railways, mayors and governors, representatives of the European Bank for Reconstruction and Development and the World Bank....

Put simply, a transport corridor is not a single road, but a system of every possible means of communication linking highways, railroads, airports, ports, warehouses, truck terminals, and so forth. The connecting element is a unified computer network that enables the movement of freight to be tracked (for instance, from Rotterdam to Krasnodar), irrespective, moreover, of how many times the freight changes its form of transport on its journey. A common information area speeds up many times over the registration of the shipping documents, customs processing, and the other formalities that are currently so tedious for receivers and shippers of freight.

Special requirements are to be made on the transport corridor's unloading and loading complexes. They must meet European standards. The same goes for containers, refrigerated trucks, and so forth.

The Baltic-Center-Black Sea corridor will be around 2,000 km long and will cross the territory of 14 Russian oblasts and krays with a total area of 1 million square kilometers and a population of almost 60 million. Questions of employment and development are also involved here. In time the Russian corridor will be part of a transcontinental system uniting North and West Europe with the countries of the Near East, Turkey, and Iran.

In the words of Russian Transport Minister Nikolay Tsakh, the assimilation of new transport technologies is especially important for Russian transport enterprises; after all, over 2,000 of these enterprises made a loss last year. The formation of the corridor from the Baltic to the Black Sea will enable them to attract new clients and to hold their own in competition with foreign carriers, who today have taken over as much as three-fourths of Russia's export and import freight.

The expected profits from the use of the Baltic-Center-Black Sea corridor are not being specified, since this depends directly on the state of the Russian economy as a whole and the volume of shipments. But they run into several billion dollars per year.

[Accompanying map shows projected route of the corridor: from Vyborg and Narva on the Gulf of Finland through Tver, Moscow, Tula, and Voronezh in Central Russia, to Rostov-na-Donu, Krasnodar, Novorossiysk, and Tuapse on the Black Sea].

Federal Assembly

Russia: Legislative, Regulatory Documents 17-23 Mar

96P50066A

[FBIS Report] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parens indicate approximate wordage. Entries followed by the notation "Text" have been translated into English and are available in FBIS publications.

SECTION I: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

Chernomyrdin 27 January Directive No. 104 Accepting Privatization Of 'Minudobreniya' Production Association In Belorechensk, Keeping 25.5 Percent Of Shares In Federal Ownership For Three Years. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (15O)

Government 28 February Decree No. 2O2 Amending Railroad Statute. (Moscow ROSSIYSKAYA GAZETA in Russian 21 Mar 96 p 4) (15O) (Text)

Chernomyrdin 28 February Directive No. 282 Assigning Various Construction-Related Bodies Space In Construction Ministry Building. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 6) (2OO)

Chernomyrdin 28 February Directive No. 294 On Matters Relating To International Exhibition and Conference on Seaplanes To Be Held in Gelendzhik 24-25 September. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (15O)

Chernomyrdin 28 February Directive No. 305 Ordering Winding Up of Combined Directorate for Construction of Light Industry Enterprises in Tynda. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (100)

Chernomyrdin 6 March Decree No. 243 On 'Rosinfrainvest' Russian Financial-Investment Company (To Include 'Economic Players in Nonstate Forms of Ownership' and Aimed at Attracting Funds for Implementation of Highways Program.) (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 5) (1100)

Chernomyrdin 6 March Decree No. 255 On Development of Tobolsk Petrochemical Complex. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 6) (450)

Government 6 March Decree No. 262 Deeming as Lapsed Earlier Government Decisions in Connection With Federal Law on Joint-Stock Companies. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 6) (200)

Chernomyrdin 6 March Decree No. 263 On Federal Targeted 'Fuel and Energy' Program for 1996-2000, Plus Sharov Commentary Citing Fuel Ministry Official Tsimbalenko on Program. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 4) (600/1200) (Text)

Chernomyrdin 6 March Directive No. 314 Permitting Finance Ministry to Guarantee Maritime Kray's Borrowing of R100 Billion To Pay Wage Arrears. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 5) (100) (Text)

Government 6 March Directive No. 320 On Submission of Draft Law on Amendments to Earlier Law on Value-Added Tax for Duma's Consideration, Appointing Industrial Policy Committee Chairman Khadzhiyev Government Spokesman. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 6) (100)

Chernomyrdin 6 March Directive No. 331 Freeing Various (Small) Areas of Forest in Various Regions for Other Uses. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (250)

Chernomyrdin 6 March Directive No. 347 Canceling Privatization of 'Ukhtanef tegazgeologiya.' (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 6) (100)

Government 12 March Decree No. 272 Amending List of Federal Highways in RSFSR. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 6) (200)

Government 12 March Directive No. 356 On Maintaining Oil Pipeline Charges at Current Levels While Modernization Loans Are Paid Off (150) Plus Aleksey Chichkin Commentary. (Moscow ROSSIYSKAYA GAZETA in Russian 21 Mar 96 p 4) (1200) (Text)

Chernomyrdin 12 March Directive No. 363 Accepting Economy Ministry Proposal for Holding International Conference on Development of Leasing in Russia 14-15 May 1996. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (100)

Government 16 March Decree No. 280 On Extra Social Protection for Servicemen, Police. (Moscow ROSSIYSKAYA GAZETA in Russian 21 Mar 96 p 3) (500) (Text)

SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

Chernomyrdin 28 February Decree No. 226 On State Recording and Registration of Databases and Data Banks. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 5) (150)

Yeltsin 1 March Directive No. 95 On Holding Talks on Setting Up Bilateral Russian-Kazakhstani Human Rights Commission. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (150)

Chernomyrdin 6 March Decree No. 235 Ratifying Agreement With IBRD on Loan for Funding 'Urban Public Transport' Project. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 5) (400) (Text)

Chernomyrdin-Signed 6 March Government Decree No. 239 On Temporarily Extending Operation of Point 'a' Of 15 August 1994 Government Decree No. 960 On Procedure for Drawing Up Citizens' Foreign Passports. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 3) (100)

Government 6 March Decree No. 266 On Implementing Local Government Law (250) Plus Commentary by State Duma Apparatus Chief Vyacheslav Demin. (Moscow ROSSIYSKAYA GAZETA in Russian 21 Mar 96 p 4) (850) (Text)

Chernomyrdin-Signed 6 March Directive No. 254 Appointing First Deputy Premier Kadannikov Chairman of Federal Organizing Committee of All-Russia Exhibition of Industry and Arts in Nizhniy Novgorod. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (150)

Chernomyrdin-Signed 6 March Government Directive No. 316 On Seeking UK, Swiss Loans To Finance Building, Equipping of Premises for RF Comptroller's Office. (Moscow ROSSIYSKAYA GAZETA in Russian 21 Mar 96 p 6) (200)

Chernomyrdin-Signed 6 March Government Directive No. 340 Reorganizing Organizing Committee Charged With Preparing Measures To Return Creative Legacy of Moviemaker Tarkovskiy to Russia and Perpetuating His Memory; and Organizing Committee Charged With Marking Centenary of World and Russian Cinematography. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 3) (250)

Government 6 March Directive No. 343 Approving Protocol on Russian-French Agreement on Oil Sector Financing. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 6) (100)

Yeltsin 7 March Edict No. 342 Appointing R.G. Orekhov Chief Of President's Main State-Legal Administration, Plus Statute on Administration in Question. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 4) (100/2900) (Text)

Yeltsin 7 March Edict No. 343 On President's Main Administration on Questions of Constitutional Guarantees of Citizens' Rights, Plus Statute on Administration in Question. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 4) (100/2800)

Yeltsin 7 March Edict No. 344 On Questions of President's Main Administration on Questions of State Service and Cadres, Plus Statute of Main Administration In Question. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 4) (400/3200)

Yeltsin 9 March Directive No. 112 On Measures Pegged To Gradual Easing of UN-Imposed Sanctions on States of Former Yugoslavia. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 3) (400) (Text)

Yeltsin 9 March Directive No. 116 Appointing Vice Premier Kinelev Chairman of Organizing Committee For Celebration of 100th Anniversary of Russian and World Cinematography. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 6) (150)

Yeltsin 9 March Edict No. 346 On State Program for Ensuring Protection of State Secrets In Russia Federation In 1996-1997, Plus Abbreviated Version of Program In Question. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (300/3200) (Text)

Yeltsin 9 March Edict No. 349 On Questions of President's Main Administration for Special Programs, Plus Statute of Main Administration in Question. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 5) (500/3500)

Chernomyrdin-Signed 12 March Government Decree No. 269 Ratifying Federal Targeted Program for Socioeconomic Development of Republic of N. Ossetia-Alania Through Year 2000. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 3) (450)

Government 12 March Decree No. 270 Amending Council of Ministers 1993 Decree On Institute of Legislation and Comparative Legal Studies. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 6) (200)

Yeltsin 12 March Directive No. 121 Approving Membership of President's Commission To Prepare Treaties on Demarcation of Spheres of Responsibility With Federation Components, Plus List of Membership. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 5) (1200) (Text)

Government 12 March Directive No. 361 Forming Interdepartmental Commission for Implementation of IBRD Project of Structural Restructuring of Russian Economy's Social Sector, Appointing Economy Minister Yasin Its Head. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 6) (100)

Chernomyrdin-Signed 13 March Government Decree No. 276 On Holding National Days of Immunization Against Poliomyelitis in Russian Federation. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 3) (450)

Chernomyrdin-Signed 13 March Government Decree No. 277 On Results of RF Socioeconomic Development in 1995 and Tasks for 1996. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 3) (2750) (Text)

Chernomyrdin-Signed 13 March Government Directive No. 374 On Dispatching RF Delegation—Headed By Emergency Situations Minister Shoygu—To 18-22 March Minsk Conference on Radiological Consequences of Chernobyl Accident. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 3) (150)

Yeltsin 14 March Directive No. 126 On Convening of All-Russia Conference on Combatting Breaches of Ecological Legislation. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Mar 96 p 3) (250) (Text)

Duma 15 March Decree No. 157 On Legal Force for Russia of Results of 17 March 1991 USSR Referendum on Question of Preserving USSR. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 4) (Texted From SOVETSKAYA ROSSIYA 19 March)

Yeltsin 16 March Edict No. 384 On Presidential Staff Administration for Coordinating Activity of President's Envoys To Federation Components. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 3) (350) (Text)

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Yeltsin 18 March Edict No. 387 On Reorganization of Presidential Staff's Organizational Administration. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Mar 96 p 3) (200) (Text)

Yeltsin 21 March Edict No. 406 On April-June Draft Into Armed Forces. (Moscow ROSSIYSKAYA GAZETA in Russian 23 Mar 96 p 1) (250) (Text)

Tartarstan Law To Improve Foreign Investment. (Kazan RESPUBLIKA TARTARSTAN in Russian 19 Mar 96 p 2) (800) (Text) (964F1528A)

SECTION III: SCIENCE AND TECHNOLOGY

RF Ministry of Health and the Medical Industry 22 December Order No. 364 On Measures for the Development of Preventative Medicine in the Russian Federation. (Moscow MEDITSINSKAYA GAZETA in Russian No. 14, 16 Feb 96 p 6) (1800) (Text) (964D0660)

Russia: Communists' Draft Law on Opposition Analyzed

MK2703105296 Moscow KOMMERSANT-DAILY in Russian 26 Mar 96 pp 1, 3

[Article by Yevgeniy Yuryev: "Love Thy Opponent as Thyself"]

[FBIS Translated Text] Duma committees have received a draft law: "On the Legal Guarantees of Opposition Activity." The future of political dissidence is a subject the CPRF [Communist Party of the Russian Federation], or more specifically, one of its ideologists — head of the committee on the affairs of public associations Viktor Zorkaltsev — has come to ponder. If one is to believe the Communists' optimistic forecasts regarding their victory in the presidential elections, taking such care over the opposition is rather praiseworthy, because otherwise the initiative could be viewed as preparation for their own defeat.

Talking with your KOMMERSANT-DAILY correspondent, the author of the draft law underlined that the CPRF is drafting the document in order to "strengthen democratic foundations" rather than to provide a "safety net" for itself. According to Zorkaltsev, even, for example, Yegor Gaydar could avail himself of it without waiting for the election.

Thus, what is the opposition? In the Communist view, the opposition is "the political activity of a public association or of individuals that fundamentally departs from the political line followed by the president or bodies of power of the Russian Federation components." To tell the truth, Gaydar does not fit the description. With whom in mind was the draft law written then?

Curiously, it was drawn up in the depths of the old Duma before the December elections, but the CPRF faction either did not manage to put it into debate or did not want to. According to KOMMERSANT-DAILY's information, the Communists had reason to believe that the draft law would not pass. On the other hand, they also feared the uncertainty of their own future, with so many rumors around that the parliamentary elections could be called off. One cannot rule out that they are seized with similar fears today (although the document was included in the discussion plans before the Duma launched the Belovezhskaya boomerang. Interestingly, the draft law is devoted mainly to political guarantees for the opposition (the losers, in the light of the impending elections) and only Article 11 is about victory: It specifies a procedure for the transfer of power.

According to the draft, the activity of the opposition is recognized as "benefiting society." In talking with your KOMMERSANT-DAILY correspondent the author of the document stressed that this is a future authority and it should be treated as such. The functioning authority is directed to take good care of its political opponents and not to discriminate against them for being in opposition because this may entail criminal liability. But punishment "for an unlawful suspension or banning of opposition organizations and the closure of their publications" is not strict — up to 100 times the minimum [monthly] wage (twice the amount in the course of elections and referendums). The Communists seem to have become firm in their belief in democratic justice.

A pedant may observe that the rights of citizens and civic liberties are already guaranteed by the Constitution and why force an open door? But the thing is that the author of the draft law decided not to rely on general formulas; he provided for every eventuality. It is hard to credit the Communists with showing such tender care for democratic opponents.

A separate chapter, for example, is devoted to the opposition's relations with the mass media. Those of the media funded by the state are directed to provide [the opposition] with an opportunity to freely express its views. The opposition has the right to an amount of air time in proportion to its representation in parliament, but not less than half an hour a week for each opposition association. It is proposed to task a special Committee for the Oversight of Operation of the Government Mass Media with monitoring the observance of the right of access to television air time. It is also proposed that five out of this 17-member committee should be appointed by the government and 12 by the State Duma in accordance with the principle of proportional

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representation of factions and groups of deputies. Also specified is the right of the opposition to respond to its critics. The rebuff is supposed to come through the same government media outlets that were used by the critics and inside one week upon the submission of the application. A response to criticisms cannot be less than 10 minutes in government electronic media, and not less than 600 words in printed media.

The state is asked to provide the opposition with funds, to fully or partially offset the costs involved in the participation in the development and discussion of government programs, the organization of election campaigns and other "mass expressions of the people's will." The authority is directed to provide political opponents with premises, to exempt them form payment for the use of government media, to assist in training and giving additional training to personnel. This last is "proceeding from the fact that if the opposition comes to power, this personnel should prove to be professionally trained for the performance of urgent state tasks." Finally, the opposition is entitled to tax and other benefits granted by the state to noncommercial public organizations!

For the first time ever, the draft law legalizes the forming by the opposition of a "shadow cabinet." The right to form it is granted to an opposition association if it secures support of a third or more deputies of the Duma. Members of the "shadow cabinet" are invited to sittings of the collegium of ministers as nonvoting members whereas the opposition leader can take part in sittings of the government.

There are some other things that can be seen in addition to elegantly veiled defeatist moods felt in the text. The immutable significance of the draft consists of the fact that it soothes the public — as if saying that General Varennikov, with his "Maximum Program", is one thing and that enlightened Communists are another. Recent experience, however, shows that even more important laws have been thrown out on the initiative of the CPRF. As for the 1936 Constitution, generally speaking it was the most democratic in the world.

Regional Affairs

Russia: Border Crossing to PRC Opens in Maritime Kray

LD2603141896 Moscow ITAR-TASS World Service in Russian 0829 GMT 26 Mar 96

[By ITAR-TASS correspondent Yevgeniy Lents]

[FBIS Translated Text] Vladivostok, 26 March (ITAR-TASS) — The first round-the-clock road crossing in "Pine Valley" in Maritime Kray was opened today on the Russo-Chinese border. Freight traffic will operate continuously and bus passenger crossings will for the moment be twice a day.

An agreement to open the crossing for motor-vehicle transport on the border with China was signed during the visit by a Maritime Kray delegation to Heilongjiang Province in February of this year. The border area where the "Pine Valley" crossing is situated has more Russian and Chinese tourists moving in either direction than anywhere else in the Far East, but until now tourist groups have has to travel from Pogranichnyy to China by rail.

In a month's time — on 25 April — a second road crossing "Kraskino-Hunchun" will open in Maritime Kray linking Khasanskiy district with Jilin Province. In the opinion of representatives of the tourism committee of the Maritime Kray administration, the new routes will help to substantially increase the market of services offered to Russian and foreign tourists in the Far East.

Russia: Far Easterners' Antipathy Toward Moscow Described

MM2603150096 Moscow IZVESTIYA in Russian 22 Mar 96 p 2

[Report by Boris Reznik under the "The Provinces. Eighty-Six Days to the Elections" rubric: "What Is Causing People To Throw Themselves Onto the Rails?"]

[FBIS Translated Excerpt] [passage omitted] The collective of the "Zvezda" plant in the maritime city of Bolshoy Kamen has nothing even to sell. The nuclear submarines that it repairs and recycles belong to the Pacific Fleet. Workers at the enterprise have not been paid since August of last year. The state owes almost 70 billion rubles for work done under the state order. Every day "Zvezda's" trade union committee distributes bread — which it itself receives on credit — to children in school. It is said that not every adult has the strength to attend these bread handouts.

It would appear today that the very existence of Bolshoy Kamen should be considered phenomenal. On starvation rations, without light, hot water, or heating, it has by some miracle survived into the current winter. "Zvezda's" boiler has barely operated: As with the bread, there have been no funds to buy fuel, and there are still none. All appeals to the federal government have brought no results. There have been several such appeals, incidentally. Also protest actions on land and at sea. Thus, by decision of a general assembly of plant workers, a refitted nuclear submarine awaited by the Pacific Fleet was detained in the bay last year for more than 24 hours.

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There have been protest marches. The last took place 12 March. It was then that the desperate plant workers attempted to block the movement of trains at the Far East Railroad's Smolyaninovo Station. Subsequent to this no money appeared in the plant's coffers. And so the a new proposal emerged at a city rally: to frighten the authorities with a "maritime Chernobyl."

A similar idea — "to threaten a new Chernobyl" — has already crossed the minds of the maritime workers' colleagues — employees of the Amur Shipbuilding Plant. This enterprise, the largest in Komsomolsk-na-Amure, which for many years created modern nuclear-powered submarines, is now on the brink of absolute ruin. The shipbuilders have not been paid since September of last year. On the plant's slipways today stand two nuclear submarines in a high state of readiness. The reactor core has even been installed on one of them. But no funds have been received to finish the ships since September of the year before last. The ships must either be completed or scrapped, because in their current state they already present a radiation threat. This danger is escalating, since these nuclear "toys" are being handled by embittered, half-starved people....

According to the assessment of the authorities themselves, the socioeconomic situation in the Russian Far East is "extremely tense, critical." This is in many ways dictated by the fact that the center, with even greater zeal than in the "stagnation" years, is "milking" the remote province, creaming off in the form of taxes the lion's share of monies earned in the region. People of the Far East who manage these days to get to Moscow and St. Petersburg (this is now impossible for the majority) compare life there — where beautiful and comfortable new houses are being built, where the stores are crammed with quality goods and products at affordable prices — with the poverty of their own existence, and they damn to hell the Moscow functionaries, the government, the president.... The seeds of antagonism and antipathy toward Moscow and the authorities who reside there have been planted and are bearing fruit. "They are growing fat on our backs" is not the most severe term the people of the Far East use to denote relations between their territory and the center. [passage omitted]

Russia: Zyuganov Urges Left-Wing Unity for First Round Victory

LD2603141196 Moscow INTERFAX in English 1042 GMT 26 Mar 96

[FBIS Transcribed Text] BARNAUL, March 26 (INTERFAX-EURASIA) — Russia's Communist Party leader and presidential contender Gennadiy Zyuganov told the leaders and legislators of the Altay Territory (Siberia) Tuesday that he might emerge victorious from the first round of presidential elections if the left-wing forces shaped a powerful coalition.

In April, he will hand the State Duma an economic program for his election platform, and experts are working on other programs which would be published as election day, slated for June 16, drew nearer, he said.

"President Yeltsin is ready to sacrifice some of his ministers for tactical purposes, so a chain of resignations may occur shortly," said Zyuganov.

A visit to Barnaul, the capital of the Altay territory, marked the beginning of Zyuganov's election tour round the country. He stated that the communists would run their campaign mostly through the local media, because the results of the December 1995 parliamentary elections vividly demonstrated the efficiency of such tactics.

Russia: Yeltsin Campaigners Active in Nizhniy Novgorod

MM2603160896 Moscow ROSSIYSKIYE VESTI in Russian 22 Mar 96 p 2

[Article by Valeriy Orlov: "Solid Backing on the Volga. Nizhniy Novgorod Supports Russian Federation President"]

[FBIS Translated Text] Nizhniy Novgorod — For a long time now citizens have had gas run to their homes, but for some reason one old lady was forgotten about. She appealed to the rayon authorities. They replied that there was no money and none was forthcoming from Moscow. If you want gas, grandma, you pay. But where does an old woman find that kind of money? So the pensioner went to Yevgeniy Krestyaninov, the Russian Federation president's representative for Nizhniy Novgorod Oblast, and voiced her grievance against the authorities. He immediately looked into ways of resolving the problem. The working people's social protection service was quick to reply that it was prepared to help, but it would cost 80-100 million rubles [R] to supply gas to the home. But it did not have the money. A vicious circle. But Krestyaninov did not stop there; he went to the gas service. It turned out that it would cost no more than R4 million to lay on gas to the old lady's home.

"I started to investigate further," Yevgeniy Vladimirovich said. "And it turned out that no one in the city social protection administration had even looked into the matter. The old lady had merely been sent routine formal replies...."

Now explaining to people who actually is to blame for all the mess is one of the main tasks Boris Yeltsin's supporters in Nizhniy Novgorod are currently tackling.

They are those who are sure it is in Russia's interests that he be reelected president. And they are doing some solid work in the region.

Back at the beginning of January eminent people in the city decided to set up a coordinating council to support Boris Nikolayevich Yeltsin at the Russian Federation presidential election. They were not professional politicians, but people actually working in today's conditions. There were the directors of a number of enterprises, doctors, bankers, and cultural figures. The coordinating council is headed by Nikolay Pugin, president of the "GAZ" joint-stock company.

"We are all aware," Nikolay Andreyevich said, "that we are living in difficult times, that there are reasons for dissatisfaction. Which makes it all the more important to explain to people why Boris Yeltsin is preferable to the other candidates. The main argument we cite is the provision of stable conditions of existence for society. Our view is that revolutionary transformations and an abrupt change of course at the moment could only harm our country and every person more than all the past mistakes, which, incidentally, are now being rectified....

The coordinating council immediately set up a headquarters to organize support for Boris Yeltsin. As soon as he is registered as a candidate, it will become his regional campaign headquarters. It is headed by well-known Nizhniy Novgorod public figure Viktor Lysov.

The first crucial task is to collect signatures in support of Yeltsin. In Nizhniy Novgorod they are collecting signatures in such a way that as many people as possible in the region come and vote for their candidate. To that end the person with the sheet of signatures is both an intelligent and clear interlocutor and a campaigner. The public reception centers organized by the headquarters will have a major social responsibility. They have been set up not only in the actual oblast center, but also in major cities in the region — Dzerzhinsk, Arzamas, Semenov, Sergach, and Pavlovo. Activists from various public and political organizations supporting Boris Yeltsin have been enlisted to work in them. They include lawyers, doctors, and economists. They will help people who come to the reception centers to obtain answers to all manner of questions and get a better idea of who is who.

The free legal consultations are very popular with the public. As it happens, this work is extremely necessary and important. Legislation is being constantly updated, and people must know their rights. Moreover the people staffing the reception centers do not wait for Nizhniy Novgorod citizens to come to them, but go among collectives and travel to remote villages to explain laws, new presidential edicts, and new normative acts.

Another important job performed by the activists is that of reminding their compatriots about what life used to be like for them. Many people have now forgotten about rationing and waiting lines. This is understandable. You do not want to remember the bad times. But people must realize that if the transformation are to carry on everyone must be consciously involved in them and adopt a responsible approach to the choice he will make when voting in the presidential election.

"I would like to see support groups and headquarters to support Yeltsin at the presidential election set up as soon as possible in the capital. We must coordinate with them an ideological strategy for action in the period to come. We would 'tie' our particular approach to the main emphases formulated in Moscow. Most important, this would help avoid any fragmentation and keep us heading in step toward the goal. We also need our Moscow colleagues' help in organizing seminars to train and inform the personnel enlisted for the upcoming campaign...."

The people of Nizhniy Novgorod have grasped the important point: Only by uniting the efforts of all Russians and working hard is it possible to bring their candidate — Boris Yeltsin — victory.

Russia: Tatarstan President Shaymiyev Interviewed

MM2703095196 Moscow KOMSOMOLSKAYA PRAVDA in Russian 26 Mar 96 p 3

[Interview with President Mintimer Shaymiyev of Tatarstan by Ravil Zaripov; place, date not given: "Mintimer Shaymiyev: 'I Am in Favor of Yeltsin, but Without the War in Chechnya'"]

[FBIS Translated Text] President Mintimer Shaymiyev of Tatarstan needs no introduction. The colorful regional leader enjoys prestige not only inside his republic but also beyond its borders and is a member of Russia's political elite. It is noteworthy that the president of Tatarstan and the president of the Russian Federation were elected the same day almost five years ago. Today Boris Yeltsin can only envy Mintimer Shaymiyev. There has been no challenger to him.

[Zaripov] Mintimer Sharipovich, our conversation is taking place literally just before fresh elections of the Republic of Tatarstan president. Are you worried?

[Shaymiyev] Just like anyone would be. Although for me it all seems to be a foregone conclusion. Unless there is some natural cataclysm, I can consider myself elected. It is upsetting that I have been left as the only candidate. Besides mine, another three action groups were registered. Two candidates were unable to muster 50,000 signatures — the prescribed requirement —

and fell by the wayside. The Communist candidate (a Communist Party secretary and now a State Duma deputy) mustered enough signatures, but at the last minute they assembled the party bureau and decided not to hand in the signatures and to withdraw their candidate. I learned that before this they flew to Moscow for consultations. And Zyuganov, realizing that they would be defeated, decided not to destroy the positive image of the CPRF [Communist Party of the Russian Federation] as a winner in voters' eyes.

[Zaripov] So there was no particular hassle for you?

[Shaymiyev] No, this has been a busy period. I have had conversations with various people, with enterprise collectives, on the streets, at markets, and in large auditoriums. Even before this I knew I had support among the people, but I saw this for myself once more. There are many problems, of course. But the population is not bitter. In short, we agreed how we are going to live and work in the future.

[Zaripov] Mintimer Sharipovich, which of the contenders do you think has a real chance of becoming president of Russia?

[Shaymiyev] It is difficult to make forecasts with three months to go. I have expressed my opinion quite openly to the voters of Tatarstan. And I will tell you. I am in favor of Yeltsin, but without the war in Chechnya.

Tatarstan was the first republic to sign a treaty with the federal authorities. We spent over two years negotiating. Boris Nikolayevich was able to see that society is changing and, come what may, the state structure must also be changed. Whatever we may say about the president's unpredictability, ultimately this man supports democratic development, he realized the need to negotiate. Chechnya is a mistake, and without a settlement of the Chechen conflict it is impossible to expect to succeed in the presidential elections. He realizes this.

[Zaripov] Aren't you troubled by the high percentage gained by the CPRF in the recent elections? What is behind this — nostalgia for the past?

[Shaymiyev] I have drawn an interesting conclusion for myself from my many meetings. The section of the population that voted Communist feels no nostalgia from the ideological viewpoint. There is nostalgia for the material standard that people used to enjoy.

The system of social protection in our republic is stronger and more reliable than in Russia as a whole. I set myself a task: If we can succeed in ensuring no lesser a level of protection for the population than existed under socialism, everybody will say: "Let us go on."

When it came to Zyuganov people asked: "What will happen to Tatarstan if he comes to power?" I am not overdramatizing the situation. In himself Zyuganov is a social democrat, I know. He cannot openly appear as such today because he wants to retain his electorate. I am more than confident that if, say, Zyuganov comes to power he will openly be a social democrat.

[Zaripov] Maybe so. But Zyuganov has an entourage that will not tolerate "revisionism"...

[Shaymiyev] You know, the president is the president. And when he takes up this lofty post he stands above the party fray.

[Zaripov] Do you think that restoration of the socialism that we had until the mid-eighties is impossible?

[Shaymiyev] Yes. A man who becomes president would not dare do this. Anyhow, it would take a lot of bloodshed to go back.

[Zaripov] Well, as historical experience has shown, our leadership has never had any hang-ups about that. In a year or two the Communists will adopt new edicts and decrees and hold a referendum on the cancellation of elections.... Surely parliament's repeal of the Belovezhskaya agreements is an alarm signal?

[Shaymiyev] Believe me, the Communists really lost out by doing this. It was a mistake from the viewpoint of party strategy. There is no alternative to the reform process. The leading republics and industrial centers will not countenance this. It is impossible to make policy without us! Anyone who has no intention of reckoning with what is happening at local level is not a real politician.

[Zaripov] You are a member of the Council of Heads of Republics. How much influence does this organ have over Boris Nikolayevich? What are relations like and how are decisions made?

[Shaymiyev] It does not make decisions. There is a free exchange of opinions. But sometimes that means more than a decision. For instance, the following episode occurred the year before last. I met with Boris Nikolayevich in February, and he suddenly asked out of the blue: "What do you think, I probably ought to meet with Dudayev? You and I have found common ground, have moved on from simple matters to complex issues, and have eliminated the 'burden.' I probably ought to meet with him as well and try to arrive at a solution." I naturally supported him at the time.

A little while later there was a meeting of the heads of the republics and Yeltsin sought advice from us all in approximately the same terms. The heads supported

this idea. Admittedly, Yeltsin made the proviso at the time: "Not everyone in the Security Council supports my aspirations."

A couple of weeks later Dudayev suddenly made some very harsh remarks about Boris Nikolayevich. And when, at the end of May, I reminded the president: "You wanted to reach agreement with Dudayev," he replied: "You can see for yourself that he has descended to insulting the president." That was the end of the discussion. The conflict escalated and tock the form of armed confrontation. Other forces in Yeltsin's entourage clearly prevailed. Either Dudayev himself stuck his neck out or somebody provoked him....

I have no hard facts, but I have my doubts. During the difficult years, when we were holding our referendum, it emerged that there were forces in Russia keen to ensure that Tatarstan went much further down the road of independence. This would inevitably have brought our republic into conflict with the president of Russia and the federal authorities. At that time I was astounded at this information, it came as a revelation to me.

[Zaripov] Mintimer Sharipovich, do you not play tennis?

[Shaymiyev] You know, I have begun to play during my leisure time. I realized it is really a good game.

[Zaripov] Why does everybody suddenly realize when they become president that tennis is basically a good game?

[Shaymiyev] It used not to be a big thing in our Republic. Maybe in Moscow. But it was not very popular at local level. I also play chess at home. Every Sunday. I love chess. I also go skiing on Sundays when the weather is suitable. In summer I go boating.

[Zaripov] Now for a tricky question — material wealth. Clearly, part of the reason for the ferocity of the presidential elections in Russia is that the outgoing incumbent has no confidence about the future — will he have plenty to eat or will he go hungry. How do you resolve this question in Tatarstan?

[Shaymiyev] In our republic when we introduced the presidency we assigned the president a house and he retains 75 percent of his pay when he retires. But, in my view, this is now the norm for state employees. I will also keep my dacha.

[Zaripov] Does the press in Tatarstan criticize you?

[Shaymiyev] And how. When journalists get together and start to criticize me and display dissatisfaction, for my part I look them in the eye and say: "Cite any instances when there has been any pressure from me on you." So far they have been unable to cite any.

[Zaripov] Mintimer Sharipovich, thank you for an interesting conversation. I think we will be the first paper to congratulate you on your reelection.

Russia: Grachev Discusses Army Reform at Tula Garrison

MM2603202396 Moscow KRASNAYA ZVEZDA in Russian 26 Mar 96 p 1

[Report by Aleksandr Pelts: "Army General Pavel Grachev Wished New Occupants 'Happiness in Your Home!' When Opening New Camp at Tula Garrison"]

[FBIS Translated Text] This is the third military camp in less than two months to have been built at various garrisons for our servicemen withdrawn from Germany and other countries in the far abroad. Is there any need to say that the opening of each camp like this is cause for great rejoicing. Not only for those who have received the longed-for vouchers. "This is also a happy time for me," Army General Pavel Grachev said during a conversation with journalists.

Speaking 22 March at the opening of this military camp, the defense minister particularly noted that undoubted priority is being given to the problems of social protection for servicemen today. The highly simple question "Does a serviceman have a roof over his head?" is becoming a political rather than a purely domestic issue, the army general stressed. This primarily applies to those servicemen who are performing combat missions in the countless "hot spots."

Despite the complex economic position the state is doing everything it can to implement the housing program. Over the last three years 140,000 new apartments have been built for servicemen. Some 180,000 servicemen's families have improved their housing conditions. By this fall it is planned to commission another 36,000 apartments within the framework of the housing program.

Outside one apartment block the defense minister presented several servicemen with apartment vouchers. They included contract NCO Galina Skalkina. Like the officers alongside her she had experienced all the "delights" of homelessness. But, as befits a member of the Airborne Troops, she was able to behave in a confident and fitting manner when presented with the voucher. Even though she had been awaiting this moment for 12 whole years!

Following his inspection of the camp Army Gen. Pavel Grachev frequently addressed representatives of "Glavbolgarstroy" — the organization which has already built several camps for Russian servicemen. Noting the high quality of their work and their rigorous compliance with schedules, the defense minister agreed that the

construction workers' should be to expand the camp by a few more apartment blocks and build a school. An agreement was reached to that effect. This means that in addition to the 500 apartments that have already been built the Tula Airborne Troops will receive another 300 apartments and a modern school.

After the opening of the camp Army Gen. Pavel Grachev met officers of the Tula Garrison. Here he talked in detail about the countless problems that the Defense Ministry is currently having to tackle.

The defense minister flatly denied the constant charges being leveled at the Defense Ministry that it was supposedly unwilling or ignorant of how to implement reform. All the requisite studies, documents, and preconditions for this complex job had existed for a long time. But people must realize that army reform is by no means up to any one leader. It is primarily a matter for the state. And there is, regrettably, simply not the manpower or the funds to carry it out today.

The conditions in which the in-depth reform of the Russian Army can and must be carried out are equally important. First and foremost this required domestic stability in the state and a reliable economic situation. The defense minister then dwelt on certain specific tasks. Primarily the major regrouping of forces and the creation of what are effectively new operational groupings in districts which prior to the breakup of the Union were considered to be virtually in the rear. This also involved the creation of new territorial commands in place of the current military districts and a move to different principles for troop command and control and for equipping the troops with combat hardware and arms. There was also the move to the mixed principle of staffing and our servicemen's involvement in peacekeeping operations, notably in the former Yugoslavia. This also involved a systematic reduction in the numerical strength of the Armed Forces in line with international accords and the destruction of strategic missiles of various basing modes, along with conventional hardware and arms. Last, it involved the creation of what was effectively a new legislative base for the performance of military service, many provisions of which still needed to be improved.

We have been carrying out all these and numerous other measures, Army Gen. Pavel Grachev continued, at a time when state defense appropriations have fallen by a factor of 15 compared with 1991. Nevertheless, as was pointed out once again, the Army is performing its assigned tasks. Moreover, this is the first time that there has been a firm, steady downward trend in the negative phenomenon of nonregulation relations. In 1995 compared with 1994 there was a 13- percent drop in incidents of this kind. It had proved possible to put a stop to the discharge into the reserve of young officers, who perform what is perhaps the most difficult job in platoons, crews, and companies. These and other positive trends had been possible thanks to the work of the education organs, which were displaying increasing activeness.

During his meeting with Tula Garrison officers the defense minister promoted a group of distinguished servicemen ahead of schedule. A large group of officers was presented with valuable gifts.

Economic Issues

Russia: Banks Report 'No Panic' in Moscow Over New $100 Bills

LD2603180496 Moscow ITAR-TASS in English 1643 GMT 26 Mar 96

[By Irina Bolshova]

[FBIS Transcribed Text] MOSCOW March 26 (ITAR-TASS) — Russians did not rush to get new U.S. 100-dollar bills which appeared for the first time in circulation on Tuesday and banks will now have to pay a little less for taking the old bills out of the country.

The State Customs Committee told Tass on Tuesday that authorised banks are to pay 0.1 per cent of the nominal cost of the currency which is taken out of the country for customs formalities as from March 25 compared to 0.15 per cent before.

In the meantime, various banks reported there were no panic over new U.S. 100-dollar bills in Moscow.

Employees of the Avtobank told Tass that the number of clients exchanging roubles for dollars was as usual. The bank believes the efforts of the Central Bank to explain to Russians that there was no need to get rid of the old bills had yielded its results.

Avtobank and Tokobank, which also sold new U.S. bills on Tuesday, charged a commission of 1.5 to 2 percent for the exchange of old bills for new ones.

A dozen of other Moscow banks told Tass they had not yet received the new bills.

As most Russians do not trust both private and state financial institutions and are used to sudden one-time rouble-bill exchanges, they keep their savings in 100-dollar bills at home and banking experts feared the introduction of new bills can send Russians queueing for hours to secure their savings in new banknotes.

Russia: IMF Approval of $10 Billion Credit Noted

LD2703094896 Moscow ITAR-TASS in English 0700 GMT 27 Mar 96

[By Andrey Loshilin]

[FBIS Transcribed Text] WASHINGTON, March 27 (ITAR-TASS) — The Board of Governors of the International Monetary Fund approved a 10.2-billion-dollar credit to Russia here on Tuesday [26 March], the understanding on which was reached during the Moscow visit by IMF managing director Michel Camdessus.

It is the second biggest loan in the entire 52-year history of this major multinational financial organisation after the last year's credit to Mexico, amounting to 17.8 billion dollars.

The new credit will be given to the Russian government by installments over a three-year period on a condition of conducting strict budgetary and liberal foreign trade policy.

The first sum of 340 million dollars can be advanced even this month. Russia is supposed to receive over one billion dollars before the presidential elections in June.

Russian vice-premier Oleg Davydov said in an interview with Itar-Tass last week that the Russian government intends to meet all IMF demands on further liberalisation of foreign trade. Starting from July 1 Russia will repeal all export customs duties, mandatory examination of quantity and prices of supplied goods as well as registration of export contracts.

Control over export will be preserved only in the sphere of returning hard currency for foreign trade operations.

Right after the meeting of the IMF Board of Governors, its decision was hailed by the American administration.

This is a bold programme, said U.S. Treasury Secretary Robert Rubin. Russia can build a free market and enjoy fruits of reforms in case of vigorous implementation of macroeconomic and structural changes, provided for by the programme, he added.

Under the previous credits, Moscow has already received 10.8 billion dollar from the IMF. According to estimates by the World Bank, Russia's foreign debts reached 115.9 billion dollars by the end of last year. In 1996, Russian payments to service these debts will amount to 6.9 billion dollars.

Russia: Dubinin Credited With Robust Central Bank Board

MK2603062896 Moscow KOMMERSANT-DAILY in Russian 23 Mar 96 pp 1, 6

[Report by Yaroslav Skvortsov: "Central Bank's Board of Directors. Sergey Dubinin Is Assigning Parts"]

[FBIS Translated Text] Yesterday the State Duma approved the candidacies for the Central Bank's board of directors nominated by Sergey Dubinin. Therefore, the head of the Central Bank, who is an ex officio board member, will be joined by his three first deputies — Aleksandr Khandruyev, Sergey Aleksashenko, and Arnold Voylukov — and also four regular Central Bank deputy chairmen, Tatyana Artemova, Andrey Kozlov, Konstantin Lubenchenko, and Vyacheslav Solovov. The formation of the board of the Bank of Russia is a fairly noteworthy development — not since Viktor Gerashchenko has the Central Bank had a governing board.

The resolution of this issue, which had clearly dragged on for too long, came as one of the most notable achievements of Central Bank Chairman Sergey Dubinin. Few people could imagine last November that the new chief would be able to learn so quickly what is what and, most important, to figure out the complex mechanism of the Central Bank's decisionmaking. Meanwhile, it took Sergey Dubinin only 100 days to do so (Central Bank employees unofficially marked this date in early March).

It is well known that the arrival of Sergey Dubinin, an "outsider" for the Central Bank, was sufficient reason for doubts that the bank's personnel would accept a new chairman. This is why even the boldest experts could not imagine that as early as three months after his arrival at the bank Sergey Dubinin would find time to come to grips with such a complex matter as the forming of the bank's board of directors (it should be noted parenthetically that Tatyana Paramonova, who has technically not left the bank, is not on the list). But as far back as mid-January 1996, Sergey Dubinin signed order No. 01-15: "On the Provisional Allocation of Duties Between Chiefs of the Central Bank of the Russian Federation" (the order's provisional nature, to all appearances, was attributable to uncertainty regarding members of the board of directors). In all likelihood, precisely this scheme will become the foundation for a new allocation of duties between members of the newly formed board.

Notably, the question of allocating functions (let alone forming the Central Bank's board of directors) had not been raised since Viktor Gerashchenko's resignation. This might seem logical — as long as the question of

the chairman remains unresolved, all other personnel decisions must be put off. Aleksandr Khandruyev was the first to recall that this question must be attended to. He raised this subject at his very first news conference as acting Central Bank chief, promising to pass his proposals to the Duma before long. Sergey Dubinin, who came to replace Khandruyev, continued this work, and now it is essentially near completion. As for the Dubinin-Khandruyev alliance, we will return to it a bit later, and for the time being let us talk about the allocation of duties between Central Bank deputy chairmen.

Sergey Dubinin has increased the number of his first deputies to three and distributed the bank's three priority areas among them, namely: Aleksandr Khandruyev was placed in charge of the operation of the banking system; Arnold Voylukov, creation of money and credits; Sergey Aleksashenko, matters of monetary policy (for himself Dubinin reserved supervision over the legal department, subordinating department chief Konstantin Lubenchenko directly to himself). That is, everyone supervises the area which is their forte. The same principle was used to allocate functions between the deputies. Tatyana Artemova, for instance, was burdened with payment matters, while the questions of bank supervision Tatyana Kuzminichna had dealt with went to Aleksandr Turbanov.

According to Central Bank employees, the redistribution of the bank's departments has considerably sped up the circulation of documents between offices. An employee of the Bank of Russia noted that "now it is clear to everybody: If a document is being drawn up, it will be signed sooner or later. It will not sit on the chairman's desk for six months, as was the case with the import instruction." What Central Bank staffers see as most important is "to satisfy the hunger" for deputy chairmen. It should be recalled that a year ago Aleksandr Khandruyev had to supervise nine bank subunits at the same time, which, naturally, affected the quality and pace of his work.

Notably, initially many people underestimated Sergey Dubinin's chances because he was an outsider at the Central Bank. Meanwhile, it is common knowledge that they dislike "outsiders" there. But Sergey Dubinin broke this tradition. First, by winning the personnel's sympathy (the "mass exodus" of qualified personnel promised by the former leadership never materialized). Second, by adding another two "outsiders" to the Central Bank's leadership — Sergey Aleksashenko and Aleksandr Turbanov (the former was promoted to first deputy chairman right away, which drew silent astonishment among Central Bank staffers accustomed to their traditions of career ascent). Incidentally, Aleksandr Khandruyev, who — after graduating from Moscow University — worked "not only at the Central Bank," had long been treated as an "outsider" at the bank.

At this moment it would be pertinent to dwell on relations between Sergey Dubinin and Aleksandr Khandruyev. According to bank employees' observations, his November appointment greatly inspired the latter. It would seem that his attitude to Sergey Dubinin should be cool. But this was not the case. On the contrary, a well-informed source told KOMMERSANT-DAILY that last November Aleksandr Khandruyev simultaneously learned of his appointment to the post of acting Central Bank chairman and heard the name of the future Central Bank head — Dubinin. It is said that Khandruyev and Dubinin held an unofficial meeting, at which they agreed on the guidelines of the bank's development and discussed its short-term objectives. It is also asserted that Sergey Konstantinovich asked Aleksandr Andreyevich, who knows his way about the bank's internal workings, to bring him up-to-date on them and to take over a part of the Central Bank chief's routine (according to bank staffers' observations, they held up to 10 meetings during a work day). After another first deputy chairman — Sergey Aleksashenko — emerged in Dubinin's entourage, and also in connection with the chairman's "getting into the swing of things," the intensity of these consultations has declined.

So now one can say with assurance that a well-fit-together and fairly qualified board of directors has been formed at the Central Bank "under Dubinin." Yet, under the law "On the Central Bank" the board of directors must reach a really Biblical figure: 12 members plus the chairman. So the formation of the board of the Bank of Russia is yet to be completed. However, even at this stage Sergey Dubinin has successfully achieved the main objective of distributing the main areas of the bank's work and devising a decisionmaking mechanism. As for the Central Bank's decisions, everyone in the banking community is waiting for them.

Russia: Lukoil, ARCO To Form Joint Venture

MK2703123996 Moscow KOMMERSANT-DAILY in Russian 27 Mar 96 p 1

[Report by Aleksandr Tutushkin: "Big Money Has Found Big Oil"]

[FBIS Translated Text] The Lukoil company yesterday officially announced that its board of directors had approved a cooperation agreement with the U.S. Atlantic Richfield Company (ARCO). Under the agreement the sides will create an oil-producing joint venture with ARCO opening a $3 million credit line for the enterprise.

Rumors about an upcoming alliance between Lukoil and ARCO began to circulate in oil circles almost immediately after the sensational acquisition of $250 million worth of Lukoil's convertible bonds by the U.S. company. There was also talk about creating a joint venture, but Lukoil directors only smiled enigmatically in response to such questions.

Something similar is happening now. Lukoil Deputy President Leonid Fedun refused to comment for your KOMMERSANT-DAILY correspondent on the signed agreement, citing an arrangement with the U.S. side on full confidentially concerning everything that is outside of their coordinated press release. The release says that Lukoil and ARCO will have, respectively, a 54 percent and 46 percent stake in the statutory fund of the newly created joint venture. The venture will engage in implementing joint oil projects in Russia and the CIS. The term of the agreement is 10 years, from which fact it can be concluded that the venture will be getting $300 million annually. In the near term the cooperation and financing agreements are to be approved by the companies' boards. Although no date for signing the agreement was reported, according to KOMMERSANT-DAILY sources an ARCO delegation visited Moscow last week, apparently finalizing the document.

The interest by both sides in the alliance is obvious. Today ARCO has a rather limited raw material base. The resources are concentrated for the most part in Alaska where the company has been developing the Prudeau Bay, Kuparook River, and Linsburn-Point McIntyre deposits for the last 20 years. Now they are nearly exhausted, while the company has virtually no reserves abroad. As for financing, ARCO's situation here is quite the reverse. The volume of its available funds at present exceeds $3 billion. This is absolutely atypical of oil companies, which usually do not have more than $300 million to $500 million. It is probably no exaggeration to say that the money is burning ARCO's hands. Lukoil's position is exactly the opposite. Yesterday, KOMMERSANT-DAILY wrote that the Russian company is among the world's leaders in proven reserves. Lukoil, however, chronically lacks funds to develop them. Presumably, in tandem, the two companies will supplement each other well.

International Affairs

Ukraine: Spokesman Urges Postponement of Yeltsin's Apr Visit

LD2503160696 Moscow NTV in Russian 1800 GMT 24 Mar 96

[Statement by Sergey Karaganov, presidential council member]

[FBIS Translated Text] The statement revoking the Belovezhskaya Pushcha agreements undermined the positions of rapprochement, both in Ukraine and in many other former republics of the Soviet Union. Pressure on all these countries, and in the first instance, on Ukraine from abroad, has increased sharply. We should realize full well that out of military and strategic and geopolitical considerations the West does not have an interest in Russia and Ukraine drawing together as soon as possible.

And finally, the conditions have been created for the visit by [President Boris] Yeltsin, which is still planned for the beginning of April, to be, if not in fact a failure then in any event, practically fruitless.

If Yeltsin does not sign a substantial document, he will be criticized in Russia for the visit being a waste of time. If he signs any document, especially concerning the Black Sea Fleet, and Ukraine is not yet ready in the present situation to make any concessions, he will be accused of betraying Russia's national interests. Neither are of benefit to either Russia or Ukraine.

Our Ukrainian neighbors realize full well that they do not have any interest in Yeltsin himself postponing the visit or doing that in a deliberate way.

It would not be a bad thing if our Ukrainian neighbors themselves proposed that the visit should be postponed until better times, for instance, until May, and over that time, in the first place, unless the Duma or anyone else in Russia makes a more frightening statement, the political situation will perhaps change, it will become more favorable and perhaps we will be able to work out something positive in bilateral relations to ensure that the visit really did yield results and did not delay the wave of integration, as it may begin to delay it if it is unsuccessful, and on the contrary, would develop that wave.

Ukraine: Spokesman Confirms 'Possibility' of Postponing Yeltsin Trip

LD2703123996 Moscow ITAR-TASS in English 1225 GMT 27 Mar 96

[By Mikhail Melnik]

[FBIS Transcribed Excerpt] KIEV March 27 (Itar-Tass) — The visit of Russian President Boris Yeltsin to Ukraine, scheduled for April 4-5, may be again indefinitely postponed for election reasons of the Russian leader, spokesman of the Ukrainian head of state Dmitriy Markov told a briefing on Wednesday.

In Moscow an official Kremlin spokesman did not rule out such a possibility and told Tass that the final date of the visit is to be agreed by the presidents of the two countries. [passage omitted]

Ukraine: Kuchma Considers Neutrality 'Best Solution'

AU2603154996 Frankfurt/Main FRANKFURTER RUNDSCHAU in German 26 Mar 96 p 7

[Interview with Ukrainian President Leonid Kuchma by Pierre Simonitsch; place and date not given: "Staying Neutral is the Best Solution"]

[FBIS Translated Text] [Simonitsch] Mr. President, Ukraine does not want to be a member of any military bloc. Does the fact that NATO is planning to expand to the Ukrainian border bother you?

[Kuchma] Not really, because the countries that want to join NATO are democratic states. But the process of NATO expansion must be conducted slowly, in a balanced and secure manner, and within the framework of the changes that are taking place in Europe. Certain states carried out troop movements toward Ukraine at the same time that they expressed their wish to join NATO. We told them straight away that this is not the way in which the process should develop. We also object when we hear that tactical nuclear weapons are to be stationed in these states. It is well-known that Ukraine has renounced its tactical and strategic nuclear weapons of its own accord. That is why we are opposed to the deployment of nuclear weapons on the territories of our Western neighbors. We also say no to all countries that make territorial claims, whether they do it openly or indirectly.

[Simonitsch] Could Ukraine apply for NATO membership itself one day, or are you aiming at a Swiss-type military neutrality?

[Kuchma] There is a saying that those who survive will see. I think that at the moment the best solution for

Ukraine is to remain neutral and not to join any military alliance.

[Simonitsch] Russian President Boris Yeltsin will visit Kiev at the beginning of April. What do you expect from that visit?

[Kuchma] I cannot confirm President Yeltsin's visit until he arrives. We would like to see a long-term friendship and cooperation treaty being signed. The text of the treaty has already been initialed. It confirms Ukraine's territorial integrity and the inviolability of its borders. That is of major importance to us. We, of course, also want to sign a number of papers on economic cooperation. A great many statements are made in this field, but very often they are not followed by actions.

[Simonitsch] After the collapse of the Soviet Union Ukraine became the third-largest nuclear power in the world. How many nuclear weapons are still stationed in your territory and when will they be scrapped?

[Kuchma] Three-quarters of all nuclear war heads have already left Ukrainian soil. Ukraine scrupulously follows the three-party agreement between Russia, the United States, and Ukraine. But the success of this agreement does not depend on us alone. Each of the partners has to meet his obligations.

[Simonitsch] You have asked for the Chernobyl problem to be put on the agenda of the G-8 summit (of the seven major western industrial states plus Russia), which will be held in Moscow in mid-April. What specific results do you expect from that step? After all, the summit is to deal with the security of nuclear military facilities.

[Kuchma] We have put the shutdown of the Chernobyl nuclear reactor on the agenda, to be more precise. We expect the memorandum that was signed by the Seven in Winnipeg in December 1995 to be given a more specific meaning. So far, the memorandum is nothing but a piece of paper.

[Simonitsch] The West has offered Ukraine $2.2 billion of assistance. Is that not enough for shutting down the nuclear power plant, which is scheduled for 1 January 2000?

[Kuchma] Ukraine has never officially mentioned any specific amounts. We have demanded a technological and economic expert opinion to allow the international experts to calculate the costs of the operation. But we insist in a global approach to the problem in order to bring about real security. Yet, this does not only concern the closing down of the power plant, but it particularly concerns the condition of the sarcophagus into which the accident reactor was cast. It contains some 200 metric tons of nuclear fuel. No respectable scientist can tell you what will happen with this material tomorrow. The sarcophagus remains a temporary solution. Apart from that, alternative sources of energy must be found to replace the Chernobyl nuclear power plant. And finally, there is the problem of social protection for the population that lives near the facility — that is 30,000 people.

Ukraine: Concern Over Possible Exports of Tainted Beef

WS2603155796 Kiev KIYEVSKIYE VEDOMOSTI in Russian 25 Mar 96 pp 1,5

[Report by Tetyana Silina: "Will 'Mad Beef' End Up in Ukraine?"]

[FBIS Translated Excerpt] This question certainly alarms many domestic lovers of rare beefsteaks and grilled chops after the "beef" scandal flared up at the end of last week — first in Great Britain, then in the entire EC, and later escalating into a European-wide panic. [passage omitted]

It is understandable that the British Government, as well as farmers who are currently facing complete ruin, will try to find a way out of the catastrophic situation at any price. However, could this way out become an entry into the markets of the new independent states and, in particular, Ukraine — where there will be many people willing to make a fortune on cheap, though tainted, beef?

National Affairs

Ukraine: President, Premier, Faction Leaders Discuss Constitution

LD2603150696 Kiev UNIAN in Ukrainian 1300 GMT 26 Mar 96

[FBIS Translated Text] Kiev — Ukrainian President Leonid Kuchma and Prime Minister Yevhen Marchuk met with the leaders of nine deputy groups and factions at their request today, the UNIAN news agency learned at the Ukrainian president's press office.

Issues of coordination and further discussion of the draft Ukrainian constitution were clarified at the meeting. Leonid Kuchma and Yevhen Marchuk assured participants in the meeting that there are no fundamental differences between them regarding the structure of executive authority and mechanisms for working out its strategy.

The head of state stressed the importance of coordinating and adopting a new constitution as soon as possible

for the sake of political and socioeconomic stabilization in the state.

The leaders of the center and center-right deputy factions and groups said they are in favor of hastening the Supreme Council debate of the draft basic law at first reading. They are convinced that setting up an interfactional coordination commission, taking into account the proposals of representatives from the executive authority, will make it possible to hasten the coordination process.

Ukraine: Official Views Yeltsin Remarks on NATO Enlargement

LD2603202296 Moscow INTERFAX in English 1833 GMT 26 Mar 96

[FBIS Transcribed Text] KIEV, March 26 (Interfax - Ukraine) — Russia's change in position regarding NATO enlargement gives Ukraine the opportunity to view this problem from a new angle, Secretary of the National Security Council under the Ukrainian president Vladimir Gorbulin told Interfax - Ukraine in Kiev Tuesday.

Russian President Boris Yeltsin told reporters in Oslo on March 25 that NATO problems would be a key subject at his talks with the Norwegian leadership. "I would advise those who seek NATO membership to act like the French: join the political committee without joining the military organization," Yeltsin said.

Ukraine "pursues a balanced policy regarding the bloc's enlargement," Gorbulin said, adding that now, "Ukraine has an opportunity to maneuver and search for new approaches to the issue of NATO enlargement."

Gorbulin said he deemed it possible to "build a framework for the pan-European system of collective security" through "construction of a political union that would include NATO members, East and Central European countries."

He described Yeltsin's statement on the possible strengthening of political contacts between NATO and Central and East European countries as "a step aside from the traditionally unshakeable dogmatic position of Russia with regard to the bloc's enlargement."

However, Gorbulin stressed that France's attitude towards NATO was evolving. In particular, France's military participation in NATO has sharply broadened with the election of Jacques Chirac as French president, he said.

Gorbulin said he "would like to understand more precisely what the Russian president meant: the France of yesterday or the France of today."

Ukraine: Radioactive Water Leak at Zaporozhye Nuclear Power Station

LD2703123096 Kiev UNIAN in Ukrainian 1130 GMT 27 Mar 96

[FBIS Translated Text] Zaporozhye Region — A leak of water, which cools the reactor, was detected under the hermetic cover over the reactor and reactor equipment at Zaporozhye nuclear power station's third generating set at 0100 today [2300 GMT 26 March], the UNIAN news agency learned at the information center of the Nuclear Control Administration of Ukraine's Environment and Nuclear Safety Ministry.

The leak occurred as a result of damage to equipment, and water is leaking at approximately one tonne of water per hour. The generating set may operate with leakage of up to two tonnes of water per hour. The radioactive water is not escaping beyond the hermetic cover and is being localized with the aid of the set's regular system.

It is envisaged that Zaporozhye nuclear power station's third generating set will be halted tonight to deal with the fault.

Ukraine: Correction — Marchuk Calls For Investment in Coal Industry

LD2603142796 Kiev UNIAN in Ukrainian 1530 GMT 25 Mar 96

[Corrected version of LD2503185096; explanatory note describes difference from initial FBIS version]

[FBIS Translated Text] Kiev — It will be necessary to invest approximately 3 trillion [changing figure from 3 quadrillion following monitor's recheck] karbovantsi in Ukraine's coal sector following its structural reconstruction aimed at increasing coal production.

Ukrainian Prime Minister Yevhen Marchuk told correspondents today that the sector's capital assets have depreciated by 60-80 percent, and that many mines would have to be closed this year.

Yevhen Marchuk said that 43 longwalls are ready and that a minimum of 20 trillion karbovantsi would have to be invested in their development. In the future, this would give a return of more than 100 trillion karbovantsi.

The Ukrainian prime minister noted that several million tonnes of coal of the sort not produced here would have to be bought from Russia in the near future.

[redacted]

Economic Issues

Ukraine: Kuchma Edict on Privatization in 1996 Detailed

WS2703090296 Lvov INFOBANK in English 0755 GMT 27 Mar 96

[From "News Service" feature]

[FBIS Transcribed Text] The State Property Fund of Ukraine has established scopes of privatization of projects based on groups named in a president's decree of March 19 "On Targets and Peculiarities of Privatization of State Property in 1996."

According to the classification, the following projects are subject to privatization: 7,725 integral entities, 3,843 projects of specially identified property, facilities, premises, 957 projects of agro-industry of the A group; 3,383 projects and 702 open joint-stock companies of the B, C, D groups with approved plan of distribution of shares which are not on sale yet; 500 projects of the E group; and 654 projects of the F group.

In the presidential decree, privatization projects are categorized accordingly:

A — projects whose fixed assets value (here and further estimations are as of January 1, 1995) does not exceed 33,000 million karbovantsi [K] (except for D enterprises);

B — projects whose fixed assets value between K33,000-2,1500 million and the share of value per an employee does not exceed nominal value of privatization property certificate more than 1.5 times (except for D enterprises);

C — projects whose fixed assets value between K33,000-2,1500 million and the share of value per an employee exceed nominal value of privatization property certificate more than 1.5 times (except for D enterprises);

D — projects whose fixed assets value exceeds K2,1500 million, as well as enterprises (irrespective of fixed assets value) chosen by monopoly owners, military projects that are subject to conversion, projects privatized with the participation of foreign investors under government decision;

E — projects related to the construction in-progress, property of liquidated and bankrupt enterprises;

F — projects related to blocks of shares of joint-stock companies, which remained after the implementation of privatization plan, state-owned shares in enterprises with the mixed form of ownership; securities, shares, and other state-owned property in other enterprises to be privatized.

Ukraine: Parliament Adopts 'Compromise' Budget

AU2603170496 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 23 Mar 96 p 1

[Report by unidentified DEMOKRATYCHNA UKRAYINA correspondent: "The Premier Urged Adoption of the Budget, Otherwise the Oxygen of Financial Assistance From Abroad Would Be Closed to Us"]

[FBIS Translated Text] The timetable for printing the paper will not, in all likelihood, make it possible for us to report the results of voting on the draft of the state budget for 1996 that Ukraine's Supreme Council hears at the second reading. Prime Minister Yevhen Marchuk, speaking before the deputies, pointed out that nobody in the government was pleased with the budget. However, in the given situation, nothing better can be proposed. He called for choosing a lesser evil and adopting the budget no later than on 22 March, because literally one day later the Council of Directors of the IMF will hold a meeting and, unless Ukraine adopts a budget, all financing will be suspended for a long time.

As is known, this year, our state was to receive $910 million from all sources of financing (foreign sources are meant), and a considerable part of this sum was meant for covering the budget deficit.

Incidentally, judging by the speech delivered at the parliament by Finance Minister Petro Hermanchuk, the government agreed with the conclusions drawn by the Supreme Council Standing Budgetary Commission on raising the budget deficit by 0.2 percent. It is now planned at the level of 6.2 percent, or 461,745.1 billion karbovantsi [K]. The funds allocated for covering K34 trillion (0.2 percent) appear to be from some source other than printing new money. Hopes are pinned on the hard currency credit of $150 million from the Japanese Eximbank.

The finance minister pointed out that the government, finishing work on the draft budget and preparing it for the second reading, tried to take into account as much as possible the proposals by the deputies.

Thus, in the draft law "On Ukraine's State Budget for the Year 1996," it is proposed that revenues totaling K2,390,855 billion be approved and expenditure — totaling K2,852,610 billion. The limiting size of the deficit was set at K461,745 billion.

At the Last Moment

On Friday [22 March], the Supreme Council adopted the budget for 1996, a budget, which is a compromise between desirable and realistic, but which offers certain guarantees of economic and financial stabilization.

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Ukraine: New Commercial Gas Deposit Commissioned in Crimea

AU2703090496 Kiev URYADOVYY KURYER in Ukrainian 23 Mar 96 p 1

[Unattributed report]

[FBIS Translated Text] New gas and condensate gas reserves from the Crimean deposit "Shtormove" in Chornomorskyy Rayon have been added to the system of gas supply in the Crimea. Yesterday, a new well was commissioned there and it will extract 150,000 cubic meters of gas a day. Altogether, the state production enterprise "Chornomornaftohaz" [Black Sea Oil and Gas] supplies about 2 million cubic meters of gas a day to the Crimea. This accounts for one-third of the necessary consumption in the Crimea.

Arkadiy Demydenko, prime minister of the Crimean Autonomous Republic, who was present at the commissioning of the well, said that it was not the last well to be commissioned on the deposit and also in the Black Sea Shelf. According to him, the Crimean government has created a special commission that will use budget funds to purchase petroleum products proceeding from the principle: The Crimea benefits from this.

Ukraine: Gas Supplies Cut Off From More Ukrainian Enterprises

LD2703120296 Kiev UNIAN in Ukrainian 0920 GMT 27 Mar 96

[FBIS Translated Text] Kiev — The number of Ukrainian industrial, municipal, and consumer enterprises disconnected from the gas supply system has increased by 100 percent over the past week. Oleh Savanchuk, Deputy chairman of the Ukrhaz Gas Corporation, told the UNIAN news agency that more than 3,200 enterprises had been disconnected by 25 March, while the number stood at 1,593 on 18 March.

However, Petro Ponochevnyy, head of the production and distribution service at the Kyyivhaz state enterprise belonging to the Ukrhazprom joint-stock company, emphasized that, in spite of the increase in disconnected enterprises, the volume of gas consumed has not decreased.

He surmises that one of the possible reasons for this situation is that for the most part idle enterprises were disconnected.

Ukraine: Oil Discovered in Sumy Oblast

WS2703100396 Kiev INTELNEWS in English 0222 GMT 27 Mar 96

[FBIS Transcribed Text] Okhtyrka (Sumy Oblast), March 25. The Suhiy oil field, recently discovered near the Ohtyrka region village of Rubany, is capable of yielding some 40 tons of crude daily, according to Mykhailo Shelynsky, chief geologist of the branch establishment of OhtyrkaNaftoGaz.

Oil reserves are at a depth of 5,300 meters and estimated at six to eight million tons. It is forecasted to yeild a total of 1.6 million tons. Up to now only one oil well is functioning in Suhiv oil-field.

Belarus

Belarus: Lukashenka Speech on Union With Russia

WS2703104796 Minsk Radio Minsk Network in Belarusian 0800 GMT 27 Mar 96

[Speech by Belarusian President Alyaksandr Lukashenka at the Belarusian Supreme Soviet session in Minsk — live; in Russian]

[FBIS Translated Text] Esteemed deputies, esteemed chairman!

My speech today will be short, but before expounding, according to the agenda, my viewpoint on the union treaty between the Republic of Belarus and the Russian Federation, which will perhaps be signed on 2 April — and I am convinced that it will be signed — I would like to return to the history of this issue for a few minutes.This is because many politicians very often recall this period [the history of the issue] and simply begin interpreting facts as they please and, in may opinion, do not see things as they really were. Because it is impossible to expound my viewpoint on the draft treaty without this foreword, I would like to say a few words about the collapse of the Soviet Union.

All of us are educated people, and we know that there were many attempts aimed at destroying the powerful and united state named the Union of Soviet Socialist Republics, both within and outside this state. This is the truth — the historical truth which currently cannot be erased from the memory of the people. Yet another attempt was made in the early 1990's. Everybody is inclined to say that it is Gorbachev who is guilty of this. Yes, he indeed is guilty. It was him who was the country's president. It was he who should have preserved the state. It was primarily he who was responsible for the state of which he was the legitimate president. People say that the Belovezhskaya forest [agreement] was not a collapse. But then what was it? Why did people who met in the Belovezhskaya forest not attempt to save the Soviet Union, seeing that the destruction of the Soviet Union was under way? What was the objective necessity to destroy the country? Did the peoples want this? No. The referenda held on the eve [of the meeting in the Belovezhskaya forest agreement] showed what the people of the various republics wanted. Therefore, to say that the Belovezhskaya forest [agreement] — which is unfortunately located on our land — was the salvation of a great country means that those people cheat, at a minimum, or lie, to say the most.

Finally, the most important thing: why have the Belovezhskaya forest agreements, which were concluded five years ago, not been implemented, and why have we not even attempted to implement them? Why did primarily Kravchuk and Shushkevich, after [signing the agreements in] Viskuli, block all attempts to draw states closer together, attempts exerted by Yeltsin in Moscow? The first such meeting was held in Moscow — and this is also the truth which has been recorded, but peoples have not been familiarized with it — at which the Russian president addressed this issue to prevent us from parting and make us implement the Belovezhskaya forest agreements. It was primarily these two politicians who prevented the implementation of the Belovezhskaya forest agreements. These are the three moments from history.

Here is my stance: Fortunately for me, there are many deputies in this Supreme Soviet — who are currently sitting before my eyes — who were people's deputies to the 12th Supreme Soviet. Lukashenka's stance was clearly visible at that time, it was clear two years ago, a year and a half ago, and a year ago, and it is still clear. I voted against destroying the country. I did not vote for the Belovezhskaya forest agreements.

Second, the program of presidential candidate Lukashenka consisted of three issues. Excuse me, but apart from the main issue now being addressed, I will recall the remaining two, because massive speculation about Lukashenka keeping his promises are rife. The first issue is curbing inflation. The monthly inflation rate reached 40 percent at the beginning of last year, as well as at the end of last year. I want to report to you that in March, as of today, inflation is under control and amounts to 1.5 percent all over the country. The second issue from the program of presidential candidate Lukashenka is a union with Russia — this was put in black and white — which I am trying to implement. The third issue is the battle against corruption. These are the three issues from my program. The people supported this program, and voted for it.

Third, another thing hard to neglect is the referendum held in May 1995 at which the people — 80 percent of them or nearly as many — unequivocally said yes to the Russian language and integration with the Russian Federation. The people once again, and quite recently, supported what I am currently trying to carry out. This is my principled position, which will not be abandoned. I am convinced that the overwhelming majority of the current Supreme Soviet support this position.

The current situation: Esteemed deputies, do not think, as does a politician who is unfortunately not here and who yesterday — instead of going to Leningrad, as he had told the [Supreme Soviet] chairman — went to Moscow and said that because the total destruction of Belarus is under way, everybody is escaping to Russia

to hide there. This is more or less what he said. This is absurd. Esteemed friends, this is the most ordinary absurd thing. I am telling you, if we can conclude a union treaty with the Russian Federation today with honor, dignity, and hold our heads high, this should be done today. Why should this be done tomorrow if we know that there is no other path than to live in the closest possible union with our traditional neighbor, or even more than a neighbor, and to have fraternal friendly relations with it? We cannot.... We have no other path. Why should it not be us but someone else to undertake this? Esteemed deputies, it is us who should do this before we part completely, because we are being scattered far from each other and may find ourselves on opposite sides of a barricade, and later it will be extremely hard for us to meet each other halfway. I understood this while I held negotiations with the Russian government and Russian president for a year and a half, during which it was proven that there were no disagreements. And I have concluded that it is very simple to part, but much harder to unite and meet one another halfway.

Second, the time of changing positions at negotiations from one corner to another has ended. As recently as yesterday or the day before yesterday, we could try some tactical maneuvers, and at the same time life would go on. During these five years, we tried to conduct this policy toward Russia and other states. This is over. This period has ended, and the end of this period was expedited by the presidential elections in Russia, during which many issues were put point-blank, as the saying goes. We are at a stage of Belarusian-Russian relations at which it is necessary to take concrete steps. I see this concrete step in our relations as pursuing the treaty on a union with Russia.

Third, if one thinks that one can continue to fool Russia with talk about integration and milk it as a cow at the same time, he is wrong. One cannot only take from Russia, but also has to give as much to the Russian people. Russia will no longer play games with anybody. Believe me, if Belarus currently received energy sources at the same prices as, for example, Ukraine is receiving, you would not just talk about some crisis and that production has been halted. You would no longer even be able to pass a budget. There would not be any talk about this. Our economy — you know it as an assembly shop of the former Soviet Union — is energy intensive, and it cannot stand world prices. At least, it would not stand them at the current stage. We have decided to conclude the treaty with the Russian Federation to extend this period of time for our economic entities, kolkhozes, sovkhozes, and industrial enterprises to enable them to adapt primarily to exorbitant energy prices. As it is, 90 percent of Belarusian enterprises, and you know this, do not operate on Belarusian energy sources. We have done this deliberately, thus saving the economy of the Republic of Belarus and simultaneously giving Russia a great deal of our products such as tractors, vehicles, television sets, and refrigerators. One of the deputies who perfectly knows this issue is here, and he could tell us about this. Only fraternal, friendly, and mutually beneficial relations with the Russian people and all peoples of the former Soviet Union can extricate us from the current situation.

Fourth, it is only the economy and the people who are pushing us toward the union with Russia. We do not envision any participation in political, electoral, and other campaigns. At least, I, the president, do not want this. I will tell you frankly what I have already said in Russia. Yes, various political forces and party leaders are currently using the issue of integration in their electoral campaigns. Esteemed friends, this is absolutely normal. If this idea currently finds understanding among the Russian people who will go to the polls tomorrow, why should it not be included in an electoral campaign? Tell me who did not include the issue of normal, friendly, fraternal relations with the Russian Federation during the previous election campaign [presidential elections in Belarus]? Lukashenka included it. Kebich included it. Karpenka and others included it, too, but only in different forms and with different interpretations. At that time, I spoke about this straightforwardly, just as I am now. Difficulties.... Esteemed deputies, all of you come from land, factories, plants, and people. You did not come here from party lists, you came here — and this was our blessing — according to a majority system, from your constituencies. You know that the economic difficulties and crisis in our state are, first of all, the consequences of the destruction of the unified complex of the national economy, and this is hitting Belarus harder than other Soviet republics.

Just look. Take Kazakhstan or Uzbekistan. Why do they not eagerly seek rapprochement with Russia? Why? Because they have their own resources; because Uzbekistan was the biggest gold extractor in the Soviet Union; because they built an oil refinery, making oil-rich Uzbekistan completely independent of Russia. That country has all the mineral resources that a state needs to exist. That country is now intensively creating its own Army. Why did you never ask why they are doing that at a time when a disarmament process is under way in the entire world?

Take Kazakhstan. That country is extremely rich in mineral resources. Do they have the same economic structure as Belarus? Not at all. This is why when

politicians, journalists, and other individuals try to analyze this problem, they should proceed first of all from a specific economic situation and the current condition of the Belarusian economy. This is why it [integration] is not a Lukashenka whim. It is an objective necessity — to be together and to move closer to one another, seeking unity of the fraternal nations. We have found ourselves in this situation not because we conduct no reforms, but because our economy is to a great extent dependent, and this fact is coupled with the total political independence — I putting this in quotation marks — of our state.

Given the above, as president, I decided, based on the power given to me and the government by the Constitution, to conclude treaties, to sign a union treaty with the Russian Federation. It may be a union or a commonwealth. This, however, will not change anything, as a commonwealth is also a union. I repeat that I hope and am absolutely sure that this treaty will be signed on 2 April and sent to parliament for ratification. Belarusians and Russians have lived in one family of nations for centuries. We were together through thick and thin. As I have already said, both Belarusians and Russians spoke for preserving our common home, the Soviet Union, on 17 March 1991. After the meeting in Belavezha forest, the overwhelming majority of Belarusian citizens repeatedly demonstrated their desire to remove that unnatural division. I also spoke about that during the presidential election and the referendum. As the head of state and president, I regard the will of people who elected me as the supreme law. Abiding by this law, I do my very best for Belarus and Russia to be together. Boris Yeltsin's visit to Minsk, my visit to Moscow, frequent meetings — there were 12 of them held recently — and the energetic work conducted at the level of governments, ministries, enterprises, and public organizations allowed us to significantly push forward Belarusian-Russian integration.

Over the past 18 months, we resolved many problems, especially in the economic sphere. Let me cite just two of them. We have managed to negotiate equal prices for energy sources and raw materials charged to Belarusian and Russian economic entities. We set equal conditions for Belarusian and Russian enterprises. Thanks to the fact that Russia sells us gas and oil cheaper than what it charges other republics — which also has been mentioned — we save annually an amount that is practically equal to the IMF credit. As a result of the mutual debt forgiveness, the so called zero option, we relieved our economy of a debt burden of almost $1.5 billion. Let me stress once again that this was not a gift for the Belarusian people; this was a payment for something that had to be paid for. This is what Petr Kravchanka [head of the legislative commission for foreign affairs] spoke about in his reports in the first days of this Supreme Soviet session devoted to union property, tactical and strategic weapons, clearing [transactions], and many other things. And you are very familiar with them. It is not a gift, because we have a common border, and on this border there is the Belarusian Army here which defends the interests of our homeland, as well as the interests of the Russian people and the Russian Federation. Every resident of the Republic can feel the benefits of this. Electricity, heat, and hot water in our apartments during this cold winter also are a result of good Belarusian-Russian relations. We created, precisely speaking restored, the common customs zone and allowed people to cross our borders without humiliating searches. But we have to ask ourselves: How stable is the current level of Belarusian-Russian relations? I think that you will agree that everything now rests on the goodwill of the two presidents. This is not a normal thing. To exploit our achievements and move forward, we need a relevant political and legal foundation — the treaty. If it is not in place, sooner or later we will inevitably regress.

Let me now present several basic approaches toward the Belarusian-Russian integration on which this treaty will be based. First of all, I would like to emphasize that our relations with Russia are developing based on equality and true respect for the interests of our nations. Belarus and Russia will have completely equal rights in all the bodies of interstate cooperation. No issue affecting the interests of Belarus shall be addressed without its participation, coupled with the right of a decisive vote. This is why statements claiming that Belarus is becoming a northwestern [Russian] oblast and being incorporated into Russia are intentional and nefarious lies spread by the enemies of rapprochement between the two fraternal nations.

At all stages of the Belarusian-Russian integration, our partners displayed a respectful and truly fraternal attitude. Belarus and Russia proceed from the assumption that they fully preserve their sovereign rights in the commonwealth that is now being created. Among other things, this means that the legislative, executive, and judicial powers will [still] operate in Belarus, and the president will be head of our state only. This is why no loss of sovereignty was, and can never be at issue. I want you to understand that we are not creating a new state, but a union of two states. This will allow us to combine our resources for resolving the gravest of problems that our people are now facing.

If you ask what is the main purpose of the treaty which we are going to sign on 2 April in Moscow, I would reply: To improve the life of ordinary men,

Belarusian and Russian citizens. Belarusians in Russia and Russians in Belarus will have absolutely equal rights in matters of health care, education, employment, purchasing of property, building of housing, and others. I declare: In those spheres we will fully reinstate the situation as it existed in the Soviet Union — when Belarusians and Russians felt that they were members of one big and harmonious family. A Belarusian will not feel like a foreigner or emigrant anywhere in Russia. Today, however, this is exactly how they feel. And I saw it myself during my visit to Siberia. Why did the people that we sent some time ago to earn oil for us became outcasts in the Russian Federation? And there are thousands of them in Siberia alone, with as many in Moscow and other cities. They include thousands of Belarusians who often went there for the sake of their homeland and the benefit of the Belarusian nation. Those people should have the same rights as Russian citizens.

The Belarusian-Russian rapprochement contains nothing that would threaten the security, life, or health of our citizens. Laments and screams that Belarusians, once the treaty is concluded, will go to Chechnya are downright and unblushing lies. This will never happen. As the head of state and president, I declare once again: Not a single Belarusian citizen will ever be engaged in warfare outside our territory. All of you, sitting in front of me right now, perfectly understand and are convinced about this. Let me tell you even more: Even if relevant bodies and structures that are empowered to make such decisions order this, those decisions will not be implemented by the head of state. Our people — and I am stating it as the supreme commander of the Armed Forces — our soldiers, officers, and generals will defend their homeland here, on Belarusian land. At the same time, I told the Russian president that not a single tank, armored carrier, or aircraft will fly in this complicated situation to Moscow through our territory, as was the case in the history of our nations. Why should we send our people to Chechnya at a time when 6,000 Russian Interior Ministry troops are fighting there? They are now grappling with the problem of how to withdraw their forces. No Russian leader has ever asked us about this. Do you think the 2 million-strong Russian Army will not resolve its internal problems?

And the last thing. Take all the agreements that I signed in the past 18 months. Even when we were handling the issue of joint exercises — our participation in some peacekeeping actions and our obligation to create peacekeeping forces — I signed all the documents with one reservation: Yes, I agree that we will train together and cooperate, but not one single serviceman of our state, our Belarus, will go outside of Belarus to fight or even merely conduct some kind of training there. Facts speak otherwise. Moreover, we are now transferring practically all of our middle- and high-level officers back to Belarus. In order to train senior officers we have established our own military academy. Do you not see these facts? Do you not understand that Chechnya is a trump card for those who are dragging their heels on the Belarusian-Russian rapprochement? Do you not see what is currently happening in the Belarusian Republic and who inspires those people, who and for how much deceives them? I think that most of the audience here perfectly understands this.

Esteemed deputies! Let me now set forth several basic provisions of the draft treaty. It is expected that the supreme body of the prospective Belarusian-Russian commonwealth will be a council comprised of heads of states, governments, and parliaments of the two sides. It will handle the most significant issues. The operating mechanism of the council of the union of the commonwealth, which provides for rotation of the council chairman and unanimous consent in making decisions, will ensure full equality and just consideration of the interests of the two sides. An interparliamentary congress will be established to adopt model legislative acts. I am sure that this body will considerably help you reform our legal system which regulates economic relations. Just as in the Russian Federation, this system in Belarus leaves much to be desired.

The integration committee will become a permanent executive body of the union. It will include an equal number of representatives from both sides. The committee's chairman will be appointed by the heads of state on a rotating basis. I would like to single out one of the functions to be performed by the executive committee: the implementation of programs and projects conducted by the commonwealth, as well as financial and other kinds of support. It is these projects and programs that will form a core of activities which will be conducted by the commonwealth; and the funds allocated for specific programs by the two budgets will constitute the budget of this commonwealth. Just one example: In the past, funds for removing the consequences of the Chernobyl catastrophe came from the [Soviet] Union budget. We remember that we did not have enough time to put to use all the money supplied by this budget. The collapse of the Soviet Union left us to face this misery on our own, a misery with which Belarusians have nothing to do. Did we build that plant? Was it on our territory? Did our people run it? No, no, and again no. But it was our country which was hardest hit by the terrible explosion which took place 10 years ago.

What is now taking place in Belarus? Who is instigating these people? Who is deceiving them and how much is

he being paid for doing so? I think that the majority of the people in this hall know about and understand this.

Esteemed deputies! Let me specify some principal tenets of a draft agreement. It postulates that a council will be the top body of a future Belarusian-Russian commonwealth. This council will comprise heads of states, of governments, and of legislatures of the two states. The council will resolve the most important issues; the mechanism of the work of the council of a union or of a commonwealth — envisaging rotating chairmen and postulating adopting decisions only by consensus — will ensure the full equality and the fair consideration of interests of both sides. An interparliamentary congress will be set up to adopt model legislative acts. I am sure that this body will give you considerable assistance in reforming our legal system on economic relations. This legal system leaves much to be desired both in Belarus and in Russia.

An integration committee will become the executive body of a union and it will function on a permanent basis. It will comprise an equal number of representatives of both sides. The chairman of the integration committee will be nominated by heads of states on a rotating basis. Of all the functions of this executive committee, I would emphasize one: implementing projects and programs for the commonwealth and ensuring the financial and other support for them. Precisely these programs and projects will become the core of the commonwealth's activities. Nothing but resources channeled to specific programs from the two budgets will make up the budget of this commonwealth. I will provide you with only one example. Before, money for the Chernobyl cleanup program was issued from the USSR budget. The majority of us remember that we did not manage to invest all the money allocated to us from the USSR budget. After the collapse of the USSR, we were left alone with a tragedy that was not caused by Belarusians. Did we build this nuclear power plant? Was this nuclear power plant located on our territory? Did the Belarusians operate it? No, no, and no. But the explosion, a terrible explosion, which occurred 10 years ago, affected primarily our native Belarus. You remember that here — the walls of this hall heard this and remember this — many deputies warned other deputies who were particularly eager to achieve independence and sovereignty: do not do this, because the Chernobyl tragedy will be placed primarily on the shoulders of our people. At the time, leaders of our states had another opinion on the issue. What have we received in the long run?

Joint projects and programs will address various areas: innovative activities, science, and education. I am sure that they will become an effective instrument for uniting the intellectual and material resources of the two countries to resolve the most important issues. As I have already said, these programs will be financed from our two budgets when a joint budget is formed. At the same time, each of our two states will preserve its own, independent state budget, its own money and credit system. We have agreed that in this area we will exceed the current level of cooperation in the CIS framework. In particular, we will set up a system to support the stability of our national currencies. We will move along the path of unification of our budget and credit systems.

Some words now about the ensuring of national and international security. I want to say bluntly and firmly that Belarus will continue to be Russia's reliable ally. Correspondingly, we are also proceeding from the fact that Russia is our reliable ally. Partnership in this area comprises joint combat against crime and terrorism, the protection of state borders, and the ensuring of our defense capability. Therefore, clauses postulating mutual activities in these areas have been included in the agreement. Again I want to emphasize: why have representatives of foreign states in our state become so agitated? Why are diplomatic missions wailing so loudly over this issue? Why are certain political leaders and forces shouting in chorus? Why does an individual — who is now absent [here] — not say that today we are a member of the collective security treaty? Have I signed this treaty? No, I was an ardent supporter of this treaty, but it was signed by [Lukashenka changes thought], you know who signed it. You know who sat in this chair. Today they say: look at what is taking place now. You must remember when Mechyslaw Ivanavich Hryb — he was a commission head — proposed from this rostrum [to sign this collective security treaty], we supported him, and Shushkevich signed it. But later when there was a fuss, he said that he did not sign it. What is new in the agreement? We are members of this collective security treaty. Its norms and demands on participants are formulated even more toughly than in the draft agreement. Therefore, clauses envisaging mutual activities in relevant areas have been included in the draft. We have decided to single them out and — excuse me for such an expression — to stake them out for our two states by attaching special importance to them. We decided to single them out from the treaty — the collective security treaty — which I have just mentioned and which was signed by many CIS member-states.

Our strategic partnership with Russia is characterized by an important feature: Belarus is fulfilling the mission of a Russian ally by ensuring the protection of its own borders. The Russians can be sure that they will not face a threat from Belarusian territory. At the same time, this implies that our soldiers will be sent neither to Tajikistan

nor to any other hot spot. As it was repeatedly reported, there are plans to sign a draft agreement — on the principal clauses of which I have just commented — on 2 April 1996. This draft agreement will enshrine, in legal form, the highest level of integration between the two CIS states — Belarus and Russia.

As you know, 12 states are CIS member-states. Some of them would like to cooperate with one another at a higher level than the one existing in the CIS. There are four such states — Belarus, Kazakhstan, Kyrgyzstan, and Russia. A relevant draft agreement has been prepared to be signed. It is based on the same foundation as the Belarusian-Russian draft agreement, but it envisages a lower level of cooperation, without the establishment of supranational bodies. I must tell you frankly that, in fact, this quadripartite agreement does not offer anything new to Belarus, provided we sign our bilateral agreement with Russia. But we are going to sign this quadripartite agreement because it is a step forward — although a very small one — from the present situation within the CIS framework. There will be nothing bad in this. We will be able to cooperate with these states more closely. Our economic interests in both Kazakhstan and Kyrgyzstan are sizable.

Hence, we see that the process in the CIS is equivalent to the one taking place in Europe, which is characterized by several speeds. The essence of this process is that different states exhibit different states of readiness for integration. So, after 2 April 1996, we will have three levels of integration among the CIS members: The first level of integration will be common for all CIS members; the second level of integration between Belarus, Kazakhstan, Kyrgyzstan, and Russia will be a more advanced one; the third level of integration, between Belarus and Russia, will be the highest and deepest one. The success of our politics in the East and good prospects for Belarusian-Russian relations to reach a qualitatively new level have enraged national radicals and other political profiteers. They have no interest in the fate of the people. The most important thing for them is to deceive as many people as possible, to split society and on this wave to try to restore their lost positions.

To this end, quite recently, on 24 March they organized disturbances in Minsk. A crowd of drunken thugs tried to storm the television center and attacked policemen. The plan of the organizers was simple: To provoke a conflict, create victims, and thus gain political dividends. Yesterday, relevant materials were submitted to me and I saw that representatives of some embassies participated in the demonstration. They all but carried banners in their hands, or perhaps they led this demonstration. Anyway, no one knows what they did there. I think that every foreigner must live in Belarus according to its laws. They have no interest in the fate of the people. I have already said that the main issue for them is to split, to deceive [as heard].

But I would like to say that times have changed. The time has passed when a small group of blatant national extremists could instill fear in the people and could paralyze state power. Law-enforcement bodies acted within the framework of the law and resisted provocations. Nationalists have also failed to implement their plans. Those who organized the storming of the television center, who battered the policemen, and who committed other violations of law will be punished. Criminal proceedings into all these cases are being instituted. An investigation is currently being carried out, and the court will specify the role of each of them. Of course, nationalists and the mass media which supports them will shout about persecutions for convictions and for political activities. In reality, at issue here is liability for hooliganism and for other violations of law, as well as for the abetting of such actions. Any law-governed state punishes its violaters for such actions. We will also punish them. But aside from legal liability, there is also a moral, political accountability. There are deputies in this hall who participated in this demonstration, who — by their speeches — led astray young people, who inspired them against the authorities and against the president. I believe that the Supreme Soviet will assess their activities in a proper manner.

Esteemed deputies! I want to say that I do not at all oppose the expression of one's own position and of an opinion during rallies and demonstrations. But the Constitution specifies precisely that one can participate in rallies and demonstrations held in places which are designated by the authorities. Such a permission had been issued and a place had been designated. Who has entitled [them] to paralyze the traffic in Minsk? Who has entitled [them] to take [the television center] by storm and to batter the people who ensure legal order? Who has entitled [them] to do so? Which Belarusian law, or which Constitution in Belarus allows one to do so?

Today Belarusian-Russian relations find themselves in the center of attention of the entire world community. Our foreign partners — Belarus has established diplomatic relations with more than 100 countries of the world — have an interest in the following: What kind of foreign policy will Belarus pursue after the signing of these agreements? This being the case, I would like to emphasize that our foreign policy will remain autonomous, independent, pragmatic, and multidirectional. We will remain a subject of international law. Regrettably, even the educated portion of the people continues to have a primitive viewpoint: either with Russia against the West or with the West against Russia. I, however,

prefer to be together with Russia and simultaneously develop dynamic relations with all foreign countries. We have achieved quite a lot in our foreign policy towards the West, including economic cooperation. Can any state throw all this under its feet or lose it? No and no. Belarus preserves its commitment to international obligations in the area of disarmament. Belarus is true to its nonnuclear status. Our neighbors and other states will continue to have in Belarus a reliable partner in the future, who is sincerely striving to participate in peaceful international cooperation. Belarusian-Russian integration will not at all affect the dynamism of our foreign political activities in other directions.

Yesterday Prime Minister Mikhail Chyhir signed a temporary agreement with the European community — which is of a fundamental importance — on trade and related issues. There is an agreement that I will visit Austria and Germany in April and that I will visit France, Turkey, and other West European states in July. This proves that the interest of the West in Belarus is not decreasing. I am grateful to the leaders of these states for this and I am always ready to hail such trends in their foreign policy. We will actively attract foreign capital to Belarus and create a favorable investment climate for it. When I visited a construction site of a foreign enterprise yesterday, I became sure that we must resolve these issues quickly and effectively. I want to stress once again: the union with Russia does not imply our isolation from the rest of the world. On the contrary, considering our geopolitical location, we — together with Russia — will sooner become an equal member of the European family of peoples and of the world community.

Esteemed deputies! You know that integration processes are dominant in modern international life. All the peoples are going along this path and we should not lag behind this international process. A draft agreement to be signed on 2 April 1996 does not even reach the standards and the level that exists in the EU. Therefore, we must continue to work in order to achieve the integration that exists now in the West; and we must go further, because precisely within the framework of the USSR integration was the deepest in the world. A wide circle of experts are involved in the development of Belarusian-Russian cooperation. Fundamental issues have been discussed with both the government and the Presidium of the Supreme Soviet. Quite recently, I voiced my opinion in the presence of the entire leadership of our state and of the members of our state council. I think that it is fundamentally important that the entire process of preparing and adopting a decision in this area must be made absolutely open and public. Honesty and sincerity are principles which I have always tried to observe and I will be guided by them in such a sacred issue as Belarusian-Russian unification. I do not understand why certain deputies reproach the president and reprove him for concealing everything. I imply particularly those deputies who know everything that is known to me, because they have been invited to meet with the president and they were informed about the level of my relations with the Russian president, about the agreements, about the direction in which this process is going. You say that you have not seen this draft agreement. I must tell you that today a commission [Lukashenka corrects himself], two commissions are coordinating the final version of the final clauses of this draft agreement at their meeting in Moscow. If on the eve of 2 April, for example, on 1 April, I have to acquaint you with the final version of the draft agreement, I am ready to do so immediately. In my turn, I would like to invite all of you to attend the signing of this agreement in Moscow. We must do this together. This is our history. Irrespective of one's desire, our history is for the ages. Thank you for your attention.

Moldova

Moldova: Snegur Backs Yeltsin for Reelection

AU2603172296 Chisinau INFOTAG in English 2110 GMT 25 Mar 96

[FBIS Transcribed Text] Chisinau, March 25 (INFOTAG) — The Moldovan President Mircea Snegur has refuted recent charges by his opponents that he, allegedly, is "seeking to earn a cheap political capital". In his today's interview with Radio Deutsche Welle, Snegur stated this was not true.

The President explained to German journalists that clearing pension and wage arrears are a most essential problem for Moldova, and executive power bodies have to bear responsibility for failure to solve it.

Snegur has confirmed that as soon as the arrears and their reasons are scrutinized, he will be insisting on dismissing those officials who are responsible for having allowed these arrears. "That shall happen, though I realize there is a certain risk that somebody will again feel offended", Snegur said.

In his belief, one of the reasons of corruption, including in top power echelons, is imperfect legislation. "Instead of defending those responsible for such offenses, the Parliament should rather upgrade the legislation, so that to create real possibilities of rooting out that evil", the president emphasized.

He has regarded as 'a rejection' the results of last week's parliamentary hearings of his legislative initiative on the free sale of land, and stressed this will be a drag on the

agrarian reform, and will deprive peasants of a right to become the masters of their own labor.

He underlined that the negotiations with Tiraspol would have achieved a much greater progress had the separatist leaders not been "regularly consulted from outside".

Snegur expressed his wish to have Boris Yeltsin re-elected at the forthcoming presidential elections in Russia. "However, whatever the results may be, they will have no influence on Moldova's political and economic course for integration into Europe", he remarked.

Moldova: Russia Resumes Withdrawing Equipment From Dniester Region

LD2603190996 Moscow ITAR-TASS in English 1816 GMT 26 Mar 96

[By Valeriy Demidetskiy]

[FBIS Transcribed Text] CHISINAU, March 26 (Itar-Tass) — Russian troops on Tuesday resumed withdrawing military equipment from Moldova's breakaway Dniester region.

The withdrawal proceeds with much delay.

The delay was caused by the Moldovan Defence Ministry demanding that its share of equipment be transferred to Moldova. Dniester leaders considered such a division unjust and claimed for the whole of Russia's equipment.

Russian troops do not intend to interfere. The problem should be solved by Moldovan and independence-seeking leaders, Russian commander in the Dniester region Valeriy Yevnevich told Itar-Tass.

Russia had allotted Moldova its share of equipment, Yevnevich said. However, he dismissed Moldova's claims that Russian troops should transport its share to its territory.

Moldova: Smirnov Appoints Representative in Dniester Parliament

AU2603152896 Chisinau BASAPRESS in English 2036 GMT 25 Mar 96

[FBIS Transcribed Text] Tiraspol, 25/03/1996 (BASA-press) — Ana Volkova, former first vice chairperson of the Dniester Supreme Soviet, was nominated official presidential representative in the Supreme Soviet.

Volkova was political adviser in the Smirnov administration and twice — in December 1995 and January 1996 — she failed to be elected to the Supreme Soviet. About two thirds of the former deputies, who founded in 1992 the self-proclaimed Dniester republic, did not gain the necessary votes.

Tiraspol political commentators regard this appointment as an attempt to establish control on the activity of the new Dniester parliament.

Moldova: Legislators Ask EU To Assess Defense Minister's Dismissal

LD2603190596 Moscow INTERFAX in English 1712 GMT 26 Mar 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] A group of Moldovan parliament members Tuesday asked the European Union to legally assess President Mircea Snegur's decree on reshuffling the leadership of the country's Defense Ministry and dismissing the defense minister, General Pavel Creanga.

"The situation that emerged in the country when the president signed his decree requires an independent investigation by a third party that would assess this problem objectively," Vladimir Solonar, chairman of the parliamentary Commission for Human Rights and Ethnic Minorities and a member of Moldova's delegation to the European Union's Parliamentary Assembly, told Interfax.

On March 15 the president signed a decree to dismiss Defense Minister Pavel Creanga. On March 16 he asked Tudor Dabiju to lead the military establishment. As a result, a split took place among Moldovan army officers: some of them remained loyal to Creanga, while others supported new Defense Minister Dabiju.

Turkmenistan

Turkmenistan: Niyazov Critical of Banking, Agricultural Shortcomings

LD2703101396 Ashgabat TURKMEN PRESS in Russian 0600 GMT 26 Mar 96

[FBIS Translated Text] Ashgabat, 25 Mar — Today, a meeting of the Cabinet of Ministers took place under the chairmanship of President Saparmurad Turkmenbashy [Niyazov]. The head of state held detailed discussions about ways of accelerating economic development.

"The transition period in economic management has its own characteristic features," Saparmurad Turkmenbashy noted. "However, the planned transformations are still slow to take place in various branches of the national economy. In many places people are finding it hard to give up the old approaches. Economic reform necessitates new methods of work and high responsibility. For this, energetic, well-organized work is required, especially from the managers, who must lead the people."

Noting the important role played by the banks in making sure the economy runs normally, Saparmurad Turkmenbashy severely criticized the heads of banks for serious neglect of duty. The new Daykhan [Peasant] Bank set up on the personal initiative of the president is unable to organize its work to meet today's demands. It is not implementing adequately the planned "new village" program, or the program to develop private property. This bank must look for new ways of encouraging farmers and broadly developing the private sector. Radical improvements of the system of allocating credits for the development of agriculture are required. President Saparmurad Turkmenbashy has relieved A. Serjayev of the post of chairman of the Daykhan Bank for shortcomings in the organization of the bank's work. After emphasizing the need for banks to sort out their activities, the esteemed president said other banks are not solvent. In particular, no one needs Gazbank in its current state, Saparmurad Turkmenbashy noted. He instructed the appropriate heads to prepare proposals on this problem.

Saparmurad Turkmenbashy focused his attention on the inadequacy of measures being taken to make every branch of agriculture more profitable. Seed growing has been especially neglected. Work by scientists in this direction is quite inadequate. The most important task today is to transform agriculture into the most profitable branch. Saparmurad Turkmenbashy described as intolerable the situation where no attention is being paid to the issue of producing meat, milk, and other agricultural produce. There have been serious shortcomings in the work of the Ashgabat dairy combine, which is not using its capacities to provide the population with dairy products. The Turkmen president set concrete tasks aimed at giving agricultural production a sharp boost.

Saparmurad Turkmenbashy held detailed discussions on a whole number of issues relating to dynamic development of the economy, an increased production of local produce, and an improvement in food supply. The need for every man to work selflessly was given particular emphasis.

"It is required that every deputy chairman of the cabinet of ministers approach the work in a new fashion," the Turkmen president noted. "They are not making maximum use of the opportunities to organize efficient labor in the branches they supervise. Serious measures are needed to pull the economy out."

Saparmurad Turkmenbashy once again reminded each head of the need to work in a new way during the decisive days of the transition to a market economy.

Other issues of internal and foreign policy were also considered at the cabinet meeting and concrete measures are being prepared.

Turkmenistan: President Gives Armenia $57 Million Gas Credit

LD2603131196 Ashgabat TURKMEN PRESS in Russian 0700 GMT 25 Mar 96

[FBIS Translated Excerpt] Ashgabat, 25 Mar — The first official visit by President Niyazov of Turkmenistan to the Transcaucasian republics — Azerbaijan, Armenia, and Georgia — took place [18-20 March] under the sign of Turkmenistan's devotion to the principles of independent development and the establishment of partnership relations with all the states of the world on the basis of respecting sovereignty and mutual benefit. [passage omitted]

Saparmurad Turkmenbashy [Niyazov] announced a state loan from Turkmenistan to Armenia for a term of five years during his meeting with President Levon Ter-Petrosyan of Armenia. It envisions restructuring the [Armenia's] $57 million debt for the supply of gas in 1994 and 1995. It is generally known that Turkmenistan last year gave similar credits worth $400 million to Georgia and $80 million to Azerbaijan, with the option of payment in oil. The leaders of the Transcaucasian states unanimously expressed their satisfaction to the Government of Turkmenistan for its understanding of the economic problems of their countries and the possibility of delays in the payment of debts for Turkmen gas. [passage omitted]

Armenia

Armenia: Moscow Envoy Urges Baku To Compromise on Nagorno-Karabakh

LD2603182796 Moscow INTERFAX in English 1649 GMT 26 Mar 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Mar 26 (Interfax) — No significant progress is expected at the current round of talks on the Nagorno-Karabakh settlement in Moscow, Gevorg Oganesyan, a counsellor at the Armenian Embassy in Russia, told Interfax Tuesday.

He said "it is a scheduled meeting, during which various aspects of the settlement are worked out."

Oganesyan stressed that "the Azerbaijani side must compromise for the talks to move forward."

He recalled that a pullout of troops from occupied Azerbaijani territories remains a major stumbling bloc of the talks.

Yerevan, in particular, proposes that the status of Nagorno-Karabakh be defined before the troop pullout.

Oganesyan said international mediators play a certain role in the settlement of the conflict.

According to him, "the more there are mediators, the more the international community will be interested in the soonest resolution of the Nagorno-Karabakh problem."

The Azerbaijani Embassy in Moscow, also contacted by Interfax, would not comment on the talks until their conclusion, citing "absence of information." An official at the Embassy said the Moscow round is expected to end around March 30.

Armenia: Romanian President Departs After Meetings

NC2603182996 Yerevan Radio Yerevan International Service in Armenian 1730 GMT 26 Mar 96

[FBIS Translated Text] The Romanian delegation under President Ion Iliescu continued its official visit to Armenia today.

The Romanian president met Chairman of the Armenian National Assembly Babken Ararktsyan in the morning and addressed a special session of the Armenian National Assembly. The Romanian delegation then visited Matenadaran, the ancient manuscripts institute, after which Iliescu held a second meeting with Armenian President Levon Ter-Petrosyan.

Ter-Petrosyan and other officials saw the Romanian delegation off at the airport today upon completion of the visit.

Armenia: Bilateral Cooperation Discussed With Romanian Delegation

NC2603212896 Yerevan SNARK in English 0704 GMT 26 Mar 96

[FBIS Transcribed Text] Yerevan, March 25, (SNARK) — A packet of nine documents was signed in Yerevan today during the official visit of Romania's delegation headed by country's President Ion Iliescu. The agreements are as follows:

- an agreement on legal mutual assistance in civil and judicial affairs;
- an intergovernmetal agreement on eliminating double taxation;
- an intergovernmental agreement on cooperation in the field of tourism;
- a cooperation agreement between the Agricultural and Foodstuffs Ministries of Armenia and Romania;
- a cooperation agreement for 1996-1998 between the Armenian Education and Science and Romanian Education Ministries;
- a protocol on exchanging documents of the Friendship and Cooperation Agreement between the two countries and consular convention;
- an intergovernmental cooperation agreement in the field of air communication;
- an intergovernmental agreement on international freight transportation;
- an intergovernmental agreement on boosting cooperation in the energy field;

Since 1994, Romania has signed more documents with Armenia than with any other former Soviet republic, noted Armenia's President Levon Ter-Petrosyan and Romanian President Ion Ilienscu at a joint conference conducted after the signing of the documents. The Armenian President especially stressed the importance of boosting land and air communication between the two countries. He said that the railway between Rumanian and Georgian ports will directly connect Armenia with Romania and Europe.

Levon Ter-Petrosyan said that actually there exists no political or psychological obstacle to hamper further development of Armeno-Romanian relations.

Armenia: President Says Capitalism Must Precede Socialism

NC2603205796 Yerevan NOYAN TAPAN in English 1420 GMT 26 Mar 96

[FBIS Transcribed Text] YEREVAN, March 26 (Noyan Tapan) — Speaking at the constituent Congress of Industrialists and Businessmen Union on March 23 Armenian President Levon Ter-Petrosyan emphasized that the Union would become a powerful social base for democracy and liberalism which "protecting private property will make it noticeable its presence in Armenia". "We must protect it from momentary caprices of political forces, demagogy, populism, arbitrary actions of the administration and criminal world", President said.

Enumerating the difficulties in Armenia's economy like psychological complexes, degree of comprehension of new market relations etc. President proposed several ways out.

One of them, according to Levon Ter-Petrosyan, is the choice of Armenia's economic strategy which has been already specified since December 1, 1994, i.e. since the time of starting the programs worked out by international financial organizations and Armenian Government.

"During this time we solved serious macroeconomic problems".

"This is the oxygen enabling us for the coming three years to pursue the planned economic policy. However, we already feel the necessity of additional oxygen", President said.

He noted that there are all reserves for a serious economic development. The first one is the flow of investments to Armenia. Though, due to unstable political situation Armenia like the whole Caucasus is not yet an attractive region for foreign investments, however, now the situation is changing and there is a noticeable interest on the part of international financial organizations and developed countries.

As a second reserve President mentioned external communication ways. He particularly noted that Turkey is not only an economic partner for Armenia but also the shortest way to the outside world. "Unfortunately, today we are deprived of our natural partner Azerbaijan. At present both Armenia and Azerbaijan are deprived of their main economic partners", he said.

President stated that there are idle capacities of higher level in the sphere of privatization which was called as a third reserve. "In the near future we must keep this process under constant control. It is necessary to establish stable mechanisms of control over privatization", Levon Ter-Petrosyan said.

Among the reserves President also named the banking system which, according to him, does not meet today's market-economic relations. Levon Ter-Petrosyan stressed the importance of "Midland" Bank's activity in Armenia.

He emphasized the necessity of a certain legislative base. "Strategy can be right but the machine work badly. The machine needs lubrication... Government, National Assembly have no right to relax", he said.

"We must be resolute whether we reject socialism, establish capitalism or something intermediate?" President noted. According to him, up to present Armenia's authorities were resolute in pursuing the policy aimed at establishment of a free market economy through which "we want to lead our people to the natural course of development that is an economy based on private property".

"It has been already proved that capitalism creates welfare. If you want socialism first of all it is necessary to build capitalism, otherwise all talks about socialism will lead to bolshevism. Those are bolsheviks who are speaking of socialism today", Levon Ter-Petrosyan concluded.

Georgia

Georgia: Shevardnadze Disscusses Official Visit to Moscow

LD2503140796 Tbilisi Radio Tbilisi Network in Georgian 0607 GMT 25 Mar 96

[Regular weekly interview with Georgian President Eduard Shevardnadze by correspondent Nato Oniani—live]

[FBIS Translated Excerpt] [Oniani] Mr. President, your first official visit to Moscow on 18-19 March was the most significant event of the past week. You had meetings with the Russian president, the prime minister, the chairman of the Federation Council, the Moscow mayor, and the foreign minister. A bilateral declaration and various economic agreements, which are of great significance and paramount interest for Georgia, were signed there. Also last week, on 20 March, Turkmenistan's President Saparmyrat Niyazov arrived in Tbilisi. The visit resulted in the signing of economic accords, including one on restructuring Georgian debts. A similar accord had been achieved with Russia. Also last week, the first meeting of Georgia's Economic Council was held. It was obviously an important occasion of the past economic week.

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Since we are considering the Moscow visit, I believe it will be very interesting to hear your comments on political aspects of the visit along with the economic ones. During your visit to Moscow, major attention was drawn to the subject of conflicts, especially the conflict in Abkhazia. Yeltsin's decision to have sanctions against Abkhazia implemented practically have already caused a sharp reaction from the separatist side. It was reported yesterday that [Abkhaz separatist leader Vladislav] Ardzinba met Russian Border Troops Commander Nikolayev. What do you think the ultimate reaction of the Russian authorities will be? Or, perhaps, we will have to wait until the visits to Tbilisi by [Russian Foreign Minister Yevgeniy] Primakov and [Russian Defense Minister Pavel] Grachev?

[Shevardnadze] Good morning. It can be said without exaggeration that the Georgian president's first official visit to the Russian Federation, which took place last week, has a crucial significance for the history of relations between the two friendly countries. The visit, the results of which, naturally, got broad coverage in the Russian and Georgian media, were very fruitful. First of all, I would indicate the economic aspect of the visit, the broadening of cooperation in the economic sphere. [passage omitted] This can be confirmed by the list of documents signed in Moscow. An agreement on trade and economic cooperation in 1996-97 will pave the way for Georgian produce to enter the Russian market and, at the same time, gives us an opportunity to receive a certain quantity of fuel. Also significant is a deal on 150,000 tonnes of grain which can be exchanged providing appropriate products can be found in Georgia. An agreement on commercial shipping will settle many crucial aspects of our country's economic life. Another top-level confirmation of the necessity to protect the interests of the two countries during the transportation of fuel in the Caspian region, and the confirmation that there is practically no contradiction between Russia and Georgia on this issue, are also crucial for the strengthening of economic and political relations.

[Oniani] This was also indicated in the declaration.

[Shevardnadze] This was indicated in the declaration. In view of settling the energy crisis in Georgia, there is hardly any exaggeration in assessing highly an agreement on establishing Sakrusetenergo [Georgian and Russian energy] joint-stock company. This is supposed to ensure the stability in power supply provided our enterprises comply with the fundamental norms of economic partnership.

A decision to sign in a month's time an agreement on restructuring a substantial debt to Russia is a significant precondition for the implementation of structural changes and economic programs in Georgia. These were the fundamental economic aspects of the visit. [passage omitted]

I will speak about the political aspects of the visit in general terms because a lot has been written about this. In addition to the declaration, which includes all basic points and basic stipulations, I would point out one. During a meeting with President Yeltsin, a mechanism for implementing a resolution adopted at the 19 January CIS summit was drawn up. The implementation of the resolution has already started, though I am not fully confident that the resolution adopted by the CIS heads of state will be fully and consistently implemented. General Nikolayev's lightning trip to Sochi and Sukhumi is an indication of this. If the decision taken by the presidents is not implemented, our reaction will, naturally, be adequate. Then, when it comes to ratifying, we will question an agreement on the mutual guarding of our borders. Other components of our relations will also be considered in somewhat more complicated circumstances.

As for Primakov's and Grachev's visit, we shall indeed get certain results from it. However, only the near future can tell how impressive the result will be. As you know, Primakov's forecast and his statements in this respect are fairly optimistic.

I would like to turn to the subject of the economy. With regard to the restructuring of Georgia's debt and as far as the amount of the debt is concerned, an agreement with our biggest creditor [Turkmenistan], which was signed during the visit to Georgia by Turkmenistan's President Saparmyrad Niyazov a day after our Moscow talks, was one of the most appreciable agreements and, I would say, the most important one. Serious prospects for the efficient use of Georgia's transport and transit facilities were clearly outlined during the meeting with the leader of this friendly state. I told Mr. Niyazov that we regard him, as well as his country, as our friend who rendered us absolutely invaluable support during the most difficult years, did not crush us for our debts, and did not demand that sums due for consumed gas be immediately paid off. Now, an optimum decision has been found and we shall have an opportunity to regain our vitality and then gradually start to pay off our debts. [passage omitted]

Intense recent developments in Georgia's foreign economic relations should create a basis for normalizing the pace of the Georgian economy despite the acute energy problems. To achieve this, it is necessary to work systematically and consistently on ways to implement the president's economic program. I would like all the

ministries, departments, and regions to recall that the presidential program is an operational document for every state functionary.

The Consultative Economic Council of the Georgian president should become a serious tool for ensuring the implementation of the presidential program. It held its first meeting on Saturday [23 March]. It is obvious that the council should by no means duplicate or supervise the work of the government. It is assigned to familiarize the president, who is the chairman of the council, with views, propositions, and suggestions of academic economists, businessmen, business circles on major and most acute socio-economic problems rather than those of official structures and members of government. [passage omitted]

A presidential decree will be issued in a few day's time on establishing a free bread market in the country. I will do my best to make it a concrete program, the implementation of which will not simply maintain the current situation in providing the population with this vital product, but rather will improve the situation noticeably. Humanitarian aid from the Western countries, which helped us survive three most difficult years, cannot last forever. The corresponding programs of the United States and the European Union expire in the first half of the year. However, the trend for the stability of the economy, a stable rate of the lari [national currency], and privatization create beneficial conditions for establishing a modern civilized system of providing the country with bread while relying mainly on the country's own financial possibilities. The country's budget stipulates funds for social protection of the population after a free bread market has been established. We now have a sufficient quantity of grain to go through the transition period more or less painlessly, and this stock should help us expedite the restructuring process.

Listeners may recall that we have exempted wheat imports from customs duties. I do not rule out other benefits. So wheat and bread importers will be interested in the business, and this will be beneficial for them as well as for the population. All this will certainly be conducted under strict state supervision. This crucial reformatory measure is tantamount to the introduction of the lari. [passage omitted]

According to reports by the Georgian Tax Inspectorate, tax revenues have amounted to 38.5 million since the beginning of the year, that is, the last years corresponding index has almost doubled. [passage omitted] The customs department has collected 6 million lari since the beginning of the year. [passage omitted]

[Oniani] I would like to turn to the Moscow visit again. You have already given your appraisal of the 15 March resolution of the Russian State Duma. While on a visit to Moscow, you did not meet Gennadiy Seleznev [State Duma chairman]. This caused certain interest and certain repercussion in the press, and not only the Russian press. Can you add anything to your position on the issue following your return from Moscow? Many things have changed, or rather, become clearer after your meetings with Yeltsin and Chernomyrdin.

[Shevardnadze] I would like to start with a brief introduction. I have been following the press. In some newspapers, leaders of some movements and parties, mainly those which failed to get into the parliament for various reasons — they have to search for the reasons within themselves — often dare say that the state is not aware of what it wants, that the president of the state does not know why he is going to this or that country, and even that he has no foreign policy. I do not mean offence, but this happens because of their illiteracy. I believe that any person who claims to be a politician should be familiar with the presidential program. The president's election program envisaged our foreign political course for the next five years, if not longer. Therefore, there have been no impulsive actions. Everything is purposeful and carefully thought out. [passage omitted]

A visit to the Duma was not scheduled by us. The Russian Foreign Ministry suggested that we go to the State Duma, and we did not refuse because we thought it could be useful. However, after the resolution taken by the Duma, a visit there would have been senseless. Not only would this be inconceivable for our compatriots, but also for world public opinion. I regard it as immature talk when some say I had to go there and question their sanity. I believe that the Georgian president's demarche was a more purposeful action.

Now, concretely about your question. A lot has been said about a scandalous and unjustifiable character of the Russian Duma's 15 March resolution. I would only add one point. A lot is being said today about the inexpediency of NATO's eastward expansion. This is a very serious issue, a very serious issue. It is the resolution taken by the Duma — I would like to emphasize that it is, indeed, the resolution — that creates an impetus to have the process of NATO's expansion expedited and to have as many states integrated in this organization as possible — I mean more states from the East.

[Oniani] A traditional fear of Russia has emerged?

[Shevardnadze] Fear has recurred, but it is not fear of Russia, but rather fear of the revival of the Soviet Union. The post-Cold-War thaw can be easily followed by cold and penetrating winds, and therefore, all politicians have to be extremely careful and committed when taking any

resolutions. This concerns the Duma and each of us. This is my brief comment on the issue.

[Oniani] Some of the post-Soviet states have already defined their fate and their own stand since the talks on reviving the Soviet Union started. There is the example of Belarus. There is a possibility that Belarus, Russia, Kazakhstan, and Kyrgyzstan will sign an agreement. What stand will Georgia take in this respect?

[Shevardnadze] There are various stands on the issue. The stand taken by Belarus is one thing and the stand taken by Kazakhstan and Kyrgyzstan is quite another. As far as I know, the stand taken by Kazakhstan and Kyrgyzstan shows mainly a desire to integrate, to broaden integration, and we are not against integration in economic, scientific, technical, and other spheres because this is a normal phenomenon. Belarus is an exception.

As far as Georgia is concerned, the revival of the Soviet Union is absurd. President Yeltsin's and my positions in this respect did not differ. [passage omitted]

As far as Georgia is concerned, I would like to reiterate that the idea of a revival of the Soviet Union is absurd in the present circumstances. The idea would be welcomed by a small part of the population living in the occupied territory [Abkhazia] and their leaders — no one else.

Generally speaking, how and with what right can a normal human being, especially a politician, deny his people freedom. Freedom can be taken away only by force. Georgia is and will remain a free, independent, and democratic state which supports broad processes of integration within the CIS, the Black Sea Economic Organization, the European Union, and in relations with other countries of the West. This is our fundamental position. Integration into the world economy, links with as many regions of the world as possible, and as far as it meets the interests of our state and the interests of each citizen of Georgia. [passage omitted]

Georgia: Shevardnadze on Democracy, His Role, Future

BR2603131096 Groot-Bijgaarden DE STANDAARD in Dutch 23-24 Mar 96 p 29

[Report on Interview with Georgian President Eduard Shevardnadze by Rene de Bok; place and date not given: "Chained to Power"]

[FBIS Translated Text] The man in the street worships him, mafia rivals would like to see him dead. Surrounded by hostile minorities, warring desperados and disaffected allies, he is leading the Caucasian country of Georgia and its 5 million inhabitants into the 21st century. He is 68 years old and has the weary look of a man who has descended to the very depths of politics. People call him the "white fox." Eduard Shevardnadze: the presidency has a heavy obligation.

Georgia lies in an area which political seismologists describe as hyperactive. A hundred kilometers as the crow flies from the capital Tibilisi lies Chechnya, just over 200 kilometers to the east lies the Armenian enclave of Nagorno-Karabakh, and 250 kilometers to the west the Abkhazian separatists lie in wait. A country which has learned to live with war. Against this background Georgian Foreign Minister Irkali Menagharishvili [name and title as published] told me the aim of foreign policy is to find friends. Not friends for life, but friends in order to live.

President Eduard Shevardnadze has a hectic week behind him: discussions with Azerbaijani President Geydar Aliyev on the oil pipeline running from the Caspian Sea to the Black Sea; exhausting discussions with the Citizens Union, his political party seeking to bring relief to Georgia; discussions with his political strategists on the dangerous situation which could arise if, when their mandate expires on 19 April, the Russians leave and the struggle between Abkhazian rebels and Georgia breaks out once again.

[De Bok] Georgia wants to move forward. But foreign investors are not interested in powder kegs. Who can guarantee Europe, for example, any kind of stability in the Caucasian region?

[Shevardnadze] When Caucasia was still part of the Soviet Union the region was not one of the most difficult in the world. Since the collapse of the Soviet Union interest has focused on Georgia because the region forms a corridor between East and West. This has to do with the oil deposits in the Caspian Sea. The oil pipeline contract I have concluded with Azerbaijan's President Aliyev associates the vital interests of many countries, including those in the West. This is why stable relations in Caucasia are so urgently necessary. To achieve this we can rely on our own resources. But these are insufficient. We need outside help. That explains our involvement in international organizations and in the European Union. That is why we are looking for friends all over the world. [Shevardnadze ends]

Georgia is wavering between democracy and coercion. Democratic progress is under pressure in the shadow of a military threat. Georgia has a strong presidential system, with a lot of power concentrated in the hands of Shevardnadze, who was reelected for another five-year term last November.

[De Bok] How fragile is the democracy?

[Shevardnadze] We began the process of democratization under very difficult circumstances. We had a civil war. We fought foreign paramilitary forces which were operating outside the law. And now we have started to build democracy. The first guarantee for the success of this process was the acceptance of the constitution.

Stalin

[De Bok] But how far has this process of democratization come in Georgia, five years after the country broke free of the Soviet Union's totalitarian system?

[Shevardnadze] We are busy with the privatization of government property and with a land reform program which will transfer ownership of land to ordinary farmers. That is a legal revolution for Georgia (quickly, as if he were frightened to pronounce the word). By which I mean a peaceful revolution.

[De Bok] What is the most essential element in your democratic model?

[Shevardnadze] The freedom of the individual.

[De Bok] A notable comment for somebody schooled in collectivist thinking. In a system in which the individual does not count. (Shevardnadze looks thoughtfully at his pen)

This brings the discussion to the subject of Stalin, the other great Georgian, of whom much can be said, but not that he was sympathetic to democracy. Or that he respected the freedom of the individual. In an interview with DE SPIEGEL six months ago a surprising thing happened. After the interviewer remarked that a few days prioti to that time Shevardnadze had opened a scientific center in Gori, the town where Stalin was born, to be devoted to studying the dictator's life and work, he asked Shevardnadze: "Do you think you have anything to learn from your fellow countryman?" Shevardnadze's answer was: "Do you believe that Stalin was a dictator? Nowhere in history are there any totally dark, negative figures."

[De Bok] A plea for a reasoned view of Stalin. But few people are going to understand that. History has Stalin on record as a dictator responsible for the deaths of millions of people.

[Shevardnadze] There is no doubt that Stalin was one of the greatest dictators in the world's history. But it remains possible to study the phenomenon of dictatorship and I am in favor of this. [Shvardnadze ends]

We spoke about the misery in Georgia. Anybody who travels through the country is shocked by the standard of living in this democratic nation. Monthly salaries of from 10 to 20 Laris (300 to 600 Belgian francs) are more the rule than the exception. Wages are low and taxes high. Economic Affairs Minister Vladimir Papava told me how senior government officials get their money: "When I am abroad I earn a daily wage in dollars, or at least usually. I naturally would be unable to live on the monthly salary of $30 dollars I receive in Georgia."

During our meeting the deputy foreign trade minister sat the whole time with his coat on because the ministry's heating system was no longer working. Georgian members of parliament speak of the "commercial" offenses they commit in order to get some money. Although it is not allowed, many MP's supplement their incomes with jobs as teachers. Ordinary people are not that lucky. There are women who enter into temporary marriages with rich Iranians in order to support their own families.

Film director Lana Gogoberidze explained: "We share everything. If we have something, then we all have something. If we have nothing, then we also share, and then we all have nothing."

[De Bok] How can you ask people to devote themselves to rebuilding the country if they come home with a subsistence wage? If they have a home that is. [De Bok ends]

Shevardnadze has no answer. He speaks about sharing out the means of production, the land. But he also says: "The attempts to achieve this are all of recent date and the results are therefore only just visible."

But other things are visible. The new rich, the mafiosi, who feel at home with the new key concepts of the market economy and privatization and who make the most of the new opportunities. At the same time, the market economy and privatization bring the risks of an unequal distribution of incomes: a few get rich quickly, while the vast majority remain empty-handed.

[De Bok] The euphoria over market reforms is now over, it produced more victims than success stories.

[Shevardnadze] There are certainly these inequalities. But we cannot say that this does not also exist in your country. There too we find a huge gap between the rich and the poor. The market economy is based on competition, the differences between people. [Shevardnadze ends]

The metamorphosis is total. Shevardnadze is lecturing his guest from the West on the principles of the market economy: people who work will survive; people who work harder will obtain better living standards. The leader from the former Eastern bloc is an uninhibited

advocate of super capitalism, while the Western journalist points to the inherent risks. Risks which, after some urging, Shevardnadze recognizes.

[Shevardnadze] When there is large scale poverty, the government must intervene and provide guarantees in order to support the mass of the population in adapting to the new circumstances. The role of the government remains important. The high taxes you just referred to... we are obliged to levy them in order to provide a social security system.[Shevardnadze ends]

Unfair

Shevardnadze's presidential role is the subject of mixed opinions in Georgia. Members of the opposition party, the Democratic Union, all agree that: "Power is in the hands of just a couple of people. The style of government is the same as in the communist era. It is all unfair: one pays a lot of tax, another does not. You need contacts."

When I reply that they could not have voiced their criticisms so openly 10 years ago, they nod in agreement. But one of them adds "Before you went to prison for saying it, now nobody even listens to you."

Others, such as the head of the human rights organization, say that their work would be impossible without the personal support of Shevardnadze.

[De Bok] But what happens if you go, if you are killed. There was a failed attempt on your life on 29 August last year. How dependent is Georgia on its president? Is that a good basis for a country on the road to democracy?

[Shevardnadze] We have a new generation of politicians who will soon be ready to take over from the older one. We put forward a lot of young people in the early years of independence and encouraged them to enter parliament. The president of parliament is 31 years old, and we have provincial governors aged just 25 or 26.

[De Bok] Are people ready to take over your role?

[Shevardnadze] My reply to anybody who is urging me to go is: I will do so when my time comes. But that is not yet.

[De Bok] Do you fear assassination, after your near escape last year?

[Shevardnadze] No, because on 29 August last year I was assured that God was on my side.

[De Bok] Why do you do it all? Why does a man who once had all the glory of leadership of a superpower bother with a small country plagued by poverty?

[Shevardnadze] I can answer that in just one word: a sense of responsibility. That is the obligation I feel, the heavy obligation I feel to my country of birth.

[De Bok] Fifty years ago you were a member of the Communist youth movement in Georgia, the Komsomol. That was the beginning of a long period of service to the Communist movement. It was not until 45 years later that you turned away from Communism. Have you never, in moments of weakness, thought that these were 45 wasted years?

[Shevardnadze] Every experience is of some value, even the most negative. That too is part of the capital on which you draw for the rest of your life. At least you know in which direction you must move, which mistakes you must not make again.

[De Bok] But it took you 45 years to reach that conclusion. Sad conclusions at the end of a long journey.

[Shevardnadze] Perhaps it took longer than 45 years before I reached these conclusions. It takes many years to restore a deformed spirit. It takes enormous strength to change a spiritual behavior you have been brought up with, such as communism. And a new understanding which not only brushes aside the former one, but which also replaces it. This period of transformation is long, it cannot be completed in just a few years. Perhaps it lasts a lifetime.

[De Bok] What is the effect of the return of communism to a position of power in Russia?

[Shevardnadze] Whether or not Russia now returns to communism, Georgia will never again go down the road to totalitarianism, will no longer choose communism, but democratic elections.

[De Bok] Does Mikhail Gorbachev, your former ally in promoting glasnost and perestroika, have any chance of winning the Russian presidency?

[Shevardnadze] The opinion polls indicate he is unlikely to get many votes.

[De Bok] Do you wish him all the luck in the world?

[Shevardnadze] Generally speaking I wish him all the luck in the world. But not for these elections.

[De Bok] I wish you all the luck in the world. You will need it in Georgia.

Eduard Shevardnadze stands up, reflects a moment and then says that he thinks this is true.

Georgia: Visiting Romanian Leader Notes East Europe's Views on NATO

LD2603175496 Moscow ITAR-TASS World Service in Russian 1612 GMT 26 Mar 96

[By ITAR-TASS correspondent Tengiz Pachkoriya]

[FBIS Translated Text] Tbilisi, 26 Mar — Romanian President Ion Iliescu, who is on an official visit to Georgia, told newsmen today in the Georgian capital Tbilisi that "many countries of Eastern Europe regard NATO membership as a guarantee of stability of their development." Cooperation with NATO is not directed against interests of any countries, Iliescu said.

Asked by journalists to comment "on the 15 March decision of the Russian Duma," Ion Iliescu had this to say:

"I understand that many inside and outside the Duma miss the old times and the Soviet Union, but I believe that the State Duma should treat with respect the independence and the freedom of CIS countries, former Soviet republics."

Georgian President Eduard Shevardnadze said addressing the same news conference that the decision of the Russian State Duma may cause a forced expansion of NATO. He told journalists that the leaders of Georgia and Romania had signed today an agreement "on friendship and cooperation" as well as a number of agreements on the development of bilateral scientific, technical, cultural, and economic cooperations. Shevardnadze said that during his conversation with the Romanian president they had considered problems of the Caucasus, cooperation between Black Sea countries, and other issues.

Romanian President Ion Iliescu and accompanying officials will fly to Baku from Tbilisi tomorrow.

Georgia: Black Sea Fleet Warships on Guard Near Sukhumi

MK2603124696 Moscow SEGODNYA in Russian 26 Mar 96 p 1

[Report by Yuriy Golotyuk: "Warships of the Black Sea Fleet Have Come to the Abkhazian Coastline"]

[FBIS Translated Text] Abkhazia is on the brink of a serious conflict: The situation has become markedly aggravated since the Ukrainian ship Vega was arrested in the port of Sukhumi by Russian border guards and escorted to Sochi. The Vega arrived in Abkhazia without a preliminary customs inspection. Two days later a similar situation with a Turkish trade ship led to an exchange of fire between [Russian] border guards and Abkhazian armed formations.

A source at the Russian Federal Border Service [FPS] told your SEGODNYA correspondent that yesterday the situation in Abkhazia had settled down somewhat and that an armed confrontation could be avoided. During emergency talks with Abkhazian leaders, held by FPS Director Andrey Nikolayev and Vladimir Ruzlyayev, commander of the North Caucasian Border District, the sides agreed "to refrain from any untoward actions in the next 48 hours." Details of these negotiations held behind closed doors remain as yet unknown. The border district commander said only that at the Sunday meeting between Messrs. Nikolayev and Ardzinba "possible compromise decisions were discussed," although no final arrangements could be reached. A lot will depend on the results of the negotiations between Mr. Nikolayev and leaders of Georgia in Tbilisi, where the FPS director went immediately after the talks with the Sukhumi leaders.

As has become known from military sources, yesterday a detachment of warships of the Black Sea Fleet, including the patrol ship Ladnyy and landing ship Nikolay Filchenko — with a naval infantry battalion and combat equipment on board — entered neutral waters in the immediate vicinity of Sukhumi.

Georgia: Russian Border Guards Move Weapons out of Abkhazia

LD2603115596 Moscow INTERFAX in English 1042 GMT 26 Mar 96

[FBIS Transcribed Text] SUKHUMI, March 26 (Interfax) — Russian border guards have been withdrawing special equipment and ammunition from Abkhazia, Abkhaz Vice President Valeriy Arshba has said.

He reported that two small landing craft with "a significant quantity of cargo" on board sailed from the Russian border guards base at the Abkhaz port of Ochamchira to the Russian Black Sea port of Novorossiysk.

Meanwhile, ammunition has been transported by trucks to the border unit deployed at Sukhumi, Arshba said, suggesting that "a big landing craft from the Black Sea Fleet, anchored in neutral waters off the port, will be used to move part of the Russian border guards' property from Sukhumi."

Arshba ruled out the possibility of a total withdrawal of Russian border troops from Abkhazia.

In the meantime, a source in the Sukhumi border unit has confirmed the reports that some of the border guards' property has been moved out and that ammunition has been transferred to Sukhumi. Describing these measures as "preventive," the source linked them to "the

recent strain in relations between Russian border guards and Abkhaz authorities."

Georgia: Tehran Grants $10 Million Loan for Georgian Energy Industry

LD2503204396 Moscow INTERFAX in English 1853 GMT 25 Mar 96

[FBIS Transcribed Text] TBILISI, Mar 25 (FIA-Interfax) — The Iranian government will grant Georgia a $10-million loan for the development of the energy industry. The loan will be provided for 9 years with a five-year deferment of repayments under an annual interest rate of LIBOR+2.5 percent.

The loan will be used to partly finance the construction of a new tunnel for the Zhinvali hydroelectric plant, officials at the Gruzenergo department told Interfax's Financial Information Agency Monday. A private Iranian company, Saniri, is the chief contractor, under a contract signed in Tbilisi last week.

The construction of the tunnel is expected to double the plant's capacity to 132 megawatts, or one third of Georgia's power output.

Georgia: Deputies To Form 'Close' Ties With Counterparts in Iran

AU2603155496 Tbilisi REZONANSI in Georgian 14-15 Mar 96 p 3

[Report by "Alioni": "Iran Supports the Georgian Initiative 'for a Peaceful Caucasus'"]

[FBIS Translated Text] "Iran supports the Georgian president's initiative 'for a peaceful Caucasus,' which is aimed at settling the conflict in the Caucasus and establishing peace and stability," stated Iranian Ambassador to Georgia Akbar Aminian [name as transliterated] during his meeting with Georgian Parliament Chairman Zurab Zhvania. According to the ambassador, the Iranian authorities are interested in active cooperation with Georgia. A group for friendship with Georgia has been created in the Iranian parliament. For his part, Zurab Zhvania pointed out that a group for friendship with the Islamic Republic of Iran will be created in the Georgian Parliament in the near future, which will establish close contacts with its colleagues.

Akbar Aminian conveyed to Zurab Zhvania the wish of the chairman of the Iranian parliament that he pay an official visit to the Islamic Republic of Iran.

Georgia: EU Begins Investment in Eurasian Transport Corridor

AU2703123796 Tbilisi KAVKASIONI in Georgian 19 Mar 96 p 2

[BGI report: "Aim — To Bring the Eurasian Corridor into Operation"]

[FBIS Translated Text] The EU has allocated $4 million to restore the railway line running from Poti to Baku. The work carried out within the framework of TRACECA [expansion unknown] and the food aid program will enable the transit time along this route to be reduced from 200 to 70 hours. As a result, there will be an increase in the circulation of freight from the Transcaucasian and Central Asian republics. According to EU Ambassador to Georgia Dennis Corboy, a start has already been made on implementing the 17 TRACECA programs while the fate of several more programs will be decided at the end of March in Vienna. Corboy emphasized that the aim of the programs was to bring the Eurasian transport corridor into operation.

Estonia

Estonia: Foreign Minister Leaves for U.S. To Discuss Baltic Security

LD2403105696 Moscow ITAR-TASS in English 1027 GMT 24 Mar 96

[By Albert Maloveryan]

[FBIS Transcribed Text] TALLINN, March 24 (Itar-Tass) — Estonian Foreign Minister Siim Kallas has left today for the U.S. on a five-day visit to mainly discuss the Baltic states' security issues with U.S. Secretary of State Warren Christopher.

A spokesman at the press centre of the Estonian Foreign Ministry told Itar-Tass that Siim Kallas will also meet with high-ranking representatives of the U.S. Defence Ministry and International Monetary Fund.

Estonia: U.S. Officials' Remarks on Baltic Security Cited

WS2603122896 Tallinn BNS in English 1000 GMT 26 Mar 96

[FBIS Transcribed Text] Tallinn, Mar 26, BNS — The United States is working to take care of the security of the Baltic states after last summer's parliamentary elections in Russia, U.S. Deputy Secretary of State Strobe Talbott said at a meeting with Estonian Foreign Minister Siim Kallas on Monday.

Riina Kionka, head of the political department of the Estonian Foreign Ministry, quoted Talbott as saying that Baltic security was very important for the United States. "In Talbott's words the United States understands that the security of the Baltic countries is a key issue in the security of Eastern and Western Europe," Kionka told BNS by phone from Washington.

She said that the U.S. deputy secretary of state had assured the Estonian delegation that the United States was taking account of Baltic Security while projecting possible developments in the case of the victory of Boris Yeltsin, Communist leader Gennadiy Zyuganov or a third candidate in the upcoming presidential elections in Russia.

"Talbott indicated that the United States will work out a stance before the Russian elections for strengthening Baltic security," Kionka said.

The importance of Baltic security for the United States was also stressed at Monday's meeting by Secretary of State Warren Christopher. Like at a previous meeting in Prague a week ago, Christopher assured Eastern Europe of continuing support from the United States, Kionka said.

Kallas expressed concern at the meeting about statements by the Russian Foreign Ministry and State Duma (lower house), which call on President Boris Yeltsin to impose economic sanctions against Estonia, referring to Estonia as country which supports terrorism.

Kionka said Talbott had also asked about the conflict in the Estonian Orthodox community. Kallas in his comments had said that the row was between two churches and that the Estonian state had not interfered with the conflict.

On Tuesday the Estonian foreign minister will meet with U.S. Assistant Secretary of State John Kornblum.

On Wednesday Kallas will have meetings with U.S. Secretary of Defense William Perry and officials of the National Security Council.

Also on Wednesday, Kallas will speak on Estonia's foreign policy priorities at a leading United States research institution, the Heritage Foundation.

Kallas's visit to the United States will last until Thursday, when he meets with the president's National Security Adviser Anthony Lake.

Estonia: Minister Says U.S. 'Firm Supporter' of Baltic States

WS2703104696 Tallinn ETA in English 2040 GMT 26 Mar 96

["News Release"]

[FBIS Transcribed Text] Tallinn, March 26 (ETA) — USA is a firm supporter of the Baltic states' independence, Estonian Foreign Minister Siim Kallas, currently on a visit to the USA, told ETA on Tuesday.

"We are constantly afraid that we will become victims of some secret agreement between major states, but it must be said that there is no such danger," Kallas commented upon his meeting with US Secretary of State Warren Christopher and Deputy Secretary of State Strobe Talbott that took place on Monday.

Kallas said that he had discussed mainly security problems with the U.S. leaders. The meeting with Warren Christopher was more of a general nature, that with Strobe Talbott more detailed, he added.

Kallas said that both had assured that Estonia will not be left out of security structures. He added that possibilities were discussed on how to guarantee security to states that are left out of NATO during the first wave of joining.

Kallas said that different possibilities for creation of peaceful environment in the Baltic region and in Central

[illegible] material. Copying and dissemination

and Eastern Europe were discussed. Warren Christopher gave a review of his meeting with Russian Foreign Minister Yevgeniy Primakov.

On Tuesday Kallas is to meet Assistant Secretary of State John Kornblum, who deals with European affairs. On Wednesday and Thursday Kallas is to meet US Defence Secretary and his deputy and councillors of US President.

Estonia: Vahi Says Nation Will Never Join New Soviet Union

LD2603172696 Moscow INTERFAX in English 1602 GMT 26 Mar 96

[FBIS Transcribed Text] TALLINN, March 26 (Interfax) — Estonia cannot be a member of a union of the former Soviet republics, Estonian Prime Minister Tiit Vahi told a press conference in Tallinn Tuesday.

Every people is entitled to sovereignty and independence, he said, commenting on the plans to create a union of Russia, Belarus, Kazakhstan and Kyrgyzstan.

Estonia was never a voluntary member of the former Soviet Union, and the plans to create a new union of former Soviet republics does not concern it, he said.

At the same time, Vahi was optimistic about normalization of Russian-Estonian relations. "We should not lose hope and make these relations depend on the results of elections in Russia," he said. "In addition, we have many friends, and I believe that they are stronger than any display of Russia's evil will."

Estonia: Minister Kallas Responds To State Duma Call for Sanctions

LD2403200796 Tallinn Radio Tallinn Network in Estonian 2000 GMT 23 Mar 96

[FBIS Translated Text] Estonian Foreign Minister Siim Kallas said that the appeal by the Russian State Duma to President Boris Yeltsin on Estonia was an intensive propaganda campaign against Estonia.

The Russian State Duma sent an appeal to Russian President Boris Yeltsin over the violations of the basic rights and liberties of the citizens of the Russian Federation and [Russian] compatriots in the Republic of Estonia. In their appeal, the deputies of the State Duma asked the president to impose economic sanctions against Estonia.

After the State Defense Council session today, Kallas said that similar statements have been made in Russia for a long time. Now they have added a new aspect, namely that Estonia is carrying out ethnic cleansing, which Estonia is not doing, Kallas said.

As for the reason for their appeal, the Russian State Duma deputies said that the main problem in Russian-Estonian relations was the discriminatory policy of the Estonian authorities against the non-Estonian population and the soft squeezing out from Estonia of people whose mother tongue is Russian.

Kallas hoped that the statement by the Russian State Duma will not cause Estonia too big international problems.

Estonia: President Meets With EU Commission President in Brussels

LD2603135496 Tallinn Radio Tallinn Network in Estonian 1000 GMT 26 Mar 96

[FBIS Translated Excerpt] The Estonian president is continuing his European visit. Today the president is in Brussels. Madis Mikko reports:

[Mikko] President Lennart Meri's official visit to Brussels, the capital of the EU, began this morning. The first meeting was with EU [Commission] President Jacques Santer. In a short interview with the Estonian press after the meeting, Santer said that according to the decisions of the EU Madrid meeting, possible membership talks with the candidates for member-states would start six months after the end of the intergovernmental conference.

We recall that the intergovernmental conference began this week in Torino and could continue until the middle of next year. Therefore, the message of the European Commission to the president of the Republic of Estonia was that membership talks with Estonia could began as early as 1998, while Jacques Santer is still the president of the EU [Commission]. [passage omitted]

Estonia: Meri Presses for Early EU Membership Talks

WS2703114896 Tallinn BNS in English 1002 GMT 27 Mar 96

[FBIS Transcribed Text] Tallinn, Mar 27, BNS — Estonia is ready to start membership talks with the European Union this year and wants the EU to set down criteria for the admission of new members, President Lennart Meri said in a speech in the European Parliament on Tuesday.

"We would rather start the talks six months before than after the end of the intergovernmental conference," Meri told the European Parliament's foreign and security policy committee.

The EU intergovernmental conference starts in Italy on Friday and is expected to continue for at least one year.

The president said Estonia wanted to obtain membership in a way that wouldn't weaken the union's structures but made them stronger. "After all, Estonia lost a relatively bigger share of its population during the two world wars than any other country. Therefore we think that we have the right to take part in the discussion on Europe," he said.

Meri in his remarks in Brussels was critical of the idea of EU expansion by broups of nations. He said that if the EU decided to pursue the scheme of groupwise expansion, it would deprive the nations aspiring for membership of their motivation to work harder and speed up reform.

He said no nation should be left aside for the single reason that "some German politician" has a different timetable.

The European Union should set down clearly defined criteria which Estonia has to meet to qualify for membership, Meri said. Estonia needs no separate treatment, but wants the same criteria applied to all prospective members, he added.

"By no means should it be allowed to water down the EU principles in the course of the process," he said.

The president said Estonia is ready to join the EU's common farm policy program at once. "We are not seeking to join the EU in order to get money," Meri said, adding that his country wanted to combine the ideas, "because we think it is good for the agriculture if we refrain from all kinds of suspicious justifications of subsidies, since that would mean living at the expense of our children," Meri said.

He said the Estonian economy continues to be dynamic and is expected to grow 5-6 percent this year.

Estonia: Netherlands Premier Says Estonia May Become EU Member

WS2603154096 Tallinn BNS in English 1332 GMT 26 Mar 96

[FBIS Transcribed Text] Amsterdam, Mar 26, BNS — Estonia can expect to become a member of the European Union soon afer the year 2000, Dutch Prime Minister Wim Kok said at a meeting with Estonian President Lennart Meri in Amsterdam on Monday.

Kok said EU full membership for Estonia soon after 2000 was a scenario for sped-up development.

Estonia's bilateral ties with EU individual members are of big importance for its admission into EU, Kaja Tael, foreign policy adviser to President Meri, quoted the Dutch premier as saying.

Meri and Kok discussed relations between Estonia and the European Union ahead of the EU intergovernmental conference, which starts in Turin, Italy, on Friday.

Tael said Kok had offered his country's assistance in training Estonian officials into EU routine. Also discussed was Estonian- Dutch cooperation, which both leaders said should be stepped up.

Of security issues, the Estonian president and the Dutch prime minister spoke about EU-NATO relations and relations with Russia, paying special attention to matters of the economy. President Meri spoke in detail about the development of the Baltic countries and Estonia in particular.

Also on the first day of his visit to the Benelux countries, Meri met with Queen Beatrix of the Netherlands, with whom developments regarding the EU were discussed.

Meri then travelled to Brussels, where a dinner in his honor was held at the Estonian embassy Monday evening.

Meri is scheduled to meet the president of the EU Commission, Jacques Santer, and King Albert II of Belgium on Tuesday. He will then make a speech at a meeting of the European Parliament's foreign policy, security and defense policy committee.

Lithuania

Lithuania: Brazauskas on Economy, Foreign Relations, Health Care

LD2603184096 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 25 Mar 96

[News conference by Lithuanian President Algirdas Brazauskas in Vilnius, with questions from domestic and foreign correspondents, identified where possible — live; monitored in progress]

[FBIS Translated Excerpt] [Brazauskas] Talking about the economic aspect, we are looking for ways to conclude as many agreements as we can with these countries, both in political and economic spheres, which in effect is what we have been doing with other countries as well. [passage omitted]

Especially in Argentina the inflation was brought down by liberalizing the entire economic and monetary system. With regard to our system, as I learn more and more about the situation in other countries and their history, I must say a rather instructive history, I arrive at the conclusion that we have squeezed ourselves into a vice. I do not want to give the proper name to this vice, but it has clearly come to us from the past, it has not yet

disappeared from the heads of some of our economists and the Seimas politicians.

Therefore, we must seriously reconsider the issue of privatization, which I have already mentioned on more than one occasion. Certain stubbornness and fear emerged during the debates on the government's program. [passage omitted]

[INTERFAX correspondent] Your Excellency, could you tell us about the feasibility of certain new projects. For example, the former prime minister spoke about the construction of a coffee processing enterprise, is it still on, or do you perhaps know about some other new projects? And here is the second question.

Perhaps you already know that on 2 April, a new union will be set up, or the setting up of this union will begin. One could say that Lithuania will become semi-encircled by this union and some observers maintain that this will create a certain threat to Lithuania. How would you describe these events, thank you?

[Brazauskas] Concerning coffee, I must say it is a matter of private companies. Coffee is being imported from Colombia and it is one of the best brands of coffee in the world. [passage omitted]

Concerning Russia, well I think that it is too premature to comment on this because nobody has yet seen these agreements. I do not know whether you have seen them. However, I tried and failed to find them today. What are these agreements? What is this 2 April? I only know one thing, that Lithuania is an independent state and that Lithuania's statehood was recognized by Russia, if I am not mistaken, on 28 July 1991. At the end of August, right after the coup d'etat, Lithuania was recognized by the then Soviet Union, therefore there are legal acts that confirm the point of view of the Russian state on Lithuania. [passage omitted]

It seems to me that it is too superficial to pass a comment so soon on the relations of two countries, and what is more, two neighboring countries. Of course we must have our opinion on this and will will have one when we have sufficient information. Today we do not have enough information. We are aware of the reaction to the matter, including inside Russia. There are very many points of view on the issue in Russia as well. I do not think we should become impassioned. [passage omitted]

Processes of various types may be taking place. However, we must always remember one thing and that is — Lithuania is a member of the world community, a member of international organizations, or it is on the way to becoming a member of some of these organizations. Therefore, I do not see any grounds for us to go on thinking humbly how we are going to be turned into a satellite country.

[Unidentified journalist] Mr. President, I would like to expand on what my colleague said about the decisions adopted by the Russian Duma. On the same day that the Russian Duma adopted the decision on the Belovezhskaya Pushcha agreements, another statement was discussed by the Russian Duma which, in addition to other matters, included an appeal from the Russian Duma to the Lithuanian Seimas asking to release two very well known persons in Lithuania — Mykolas Burokevicius and Juozas Jermalavicius. The reason given is that they are being prosecuted for their beliefs and that they are poor, old men; therefore, the Lithuanian Seimas should be guided by genuine humanitarian principles and release them. What is your comment about such a Russian statement? As far as I know, the Lithuanian Seimas has not yet received this request.

[Brazauskas] I have not received such a request yet, therefore it is very difficult to give you any comment. If the Seimas receives a request, then it will be debated. As far as I am concerned, I would rather like the court proceedings to start sooner than later. And I think that this will happen this spring. [passage omitted]

[Petras Sakalinis] LIETUVOS DARBININKAS newspaper; Petras Sakalinis: Can the type of free market that currently exists in Latin America serve as a model for Lithuania? And another question would be this: How much did your outing cost the state budget?

[Brazauskas] I will begin with the second question. All my visits have been planned by the state budget. Funds have been allotted in the state budget for the president's affairs and I have never exceeded them. [passage omitted]

There are many states in Latin America and it is not right to say that there is a certain single model. I would not like to take Lithuania and one of these countries and to compare their economic models. Each of these countries has their own specific features. [passage omitted] Analysis and assessment of certain elements in their economic models will be beneficial to us while using them in carrying out reforms in Lithuania.

Of course we are and we will be looking more toward the countries that have lived through a similar fate as ours. I have in mind the states of Central Europe, the republics of the former Soviet Union, and the Baltic states. The economic, social, and even political situation in these countries is very similar to ours. [passage omitted]

[Arturas Racas] Arturas Racas from the LIETUVOS RYTAS daily. I would like to ask you about [Foreign

Minister] Gylys' visit to Latin America together with you, and his urgent return to Prague. Why did you not advise him, as the official responsible for foreign policy, to stay in Lithuania and be better prepared for the meeting with Christopher? I would also like to ask you whether you are going to Brussels this week to meet the leaders of the European Union and NATO, like your Latvian and Estonian counterparts [word indistinct]. And finally, are you going to continue with your proposals to the Lithuanian Seimas with regard to the law on pegging the litas until 1998 or 2000 now that the Seimas faction has decided to reject it?

[Brazauskas] [passage omitted]

Now concerning Brussels. I have been to Brussels several times and met the NATO leaders there. But I do not see why we should always follow each other, moreover that the NATO secretary general is to visit Lithuania in April. [passage omitted]

Concerning the law on the litas credibility. I presented the draft to the Seimas for discussion prior to my departure. The discussion included members of the government, I mean, Finance Minister Krizinauskas and Reinoldijus Sarkinas, the current chairman of the [Lithuanian] Bank. We are looking for ways to reinforce the litas as I have proposed in the draft amendment. Talks about a possible devaluation of the litas and instability are seriously detrimental to our state and, and in general, all this smells of the activities of foreign agents. I have no other explanation for this.

And I think that we must find a way to reassure businessmen, our society, and bankers. We must maintain the present exchange rate of the litas as long as we can. By means of consensus the stability of the exchange rate has been agreed among various parliamentary factions. I do not insist that the Seimas should adopt the draft proposal to the letter as I had proposed. We must look for ways and these can vary. [passage omitted]

As long as I am the president I will do everything in my powers in order that the exchange rate of the litas remains stable. [passage omitted] And then we will live and see how our economy is developing and how the GDP is increasing. [passage omitted]

[Jolanta Buineviciene] Radio Centras journalist Jolanta Buineviciene. You met the prime minister this morning. Was there any discussion about the vacant posts in the cabinet, and what is your opinion about Transport Minister Jonas Birziskis, bearing in mind the proposal concerning Mr. Birziskis made by the Seimas Commission investigating economic crimes?

[Brazauskas] I meet the prime minister regularly on Monday's. [passage omitted] We discussed the issue of candidates because we have to resolve the appointment of two ministers. We have some candidates. [passage omitted]

Concerning Transport Minister Jonas Birziskis, I have not yet seen the conclusion of the commission, I only know that such a decision exists. [passage omitted]

I think that there must me some order introduced concerning privileges and we decided that at the next government session a clearly defined procedure will be made as to who is entitled to what privileged terms and who is not. [passage omitted]

[Juodvalkis] Juodvalkis, from the Consumers Association. Esteemed president, what is your opinion about the changes in the health service which are due to be carried out soon? At his latest news conference, the health minister declared that a number of hospitals will have to close down, important surgical procedures will have to be cancelled, patients' hospital stays will have to be reduced, fees will have to be paid when visiting a doctor or in order to obtain a bed in hospital, etc. Thank you?

[Brazauskas] I can tell you straight away, I do not like it at all. [passage omitted] More than once the need for radical restructuring of the health service system was discussed with the government. There are 40,000 beds. We do not need that number of beds in hospitals in Lithuania today. This is a clear heritage of pseudo-Socialism. Hospitals are half empty. The quality of service is poor, especially at hospitals in the provinces. [passage omitted] The reform is needed, however, nothing has been done so far. [passage omitted]

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